



Meezan Bank
The Premier Islamic Bank



Best Bank
2018, 2020 & 2023

Pakistan Banking Awards

FORM-8

October 28, 2024

MEBL/CS/PSX-19/136/2024

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

TRANSMISSION OF QUARTERLY REPORT OF MEEZAN BANK LIMITED FOR THE PERIOD ENDED SEPTEMBER 30, 2024

Dear Sir,

السَّلَامُ عَلَيْكُمْ

We have to inform you that the Quarterly Report of Meezan Bank for the period ended September 30, 2024 have been transmitted through PUCARS and is also available on Bank's website.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,

Muhammad Sohail Khan
Company Secretary

Encl: As above.

Meezan Bank Ltd.

Head Office : Meezan House, C-25, Estate Avenue, SITE, Karachi - Pakistan.

PABX: (92-21) 38103500 **UAN:** 111-331-331 & 111-331-332 www.meezanbank.com

THIRD QUARTERLY REPORT SEPTEMBER 30, 2024



Meezan Bank
The Premier Islamic Bank

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CORPORATE INFORMATION

AS OF SEPTEMBER 30, 2024

Board of Directors	Riyadh S. A. A. Edrees Faisal A. A. A. Al-Nassar Bader H. A. M. A. Al-Rabiah Saad Ur Rahman Khan Faisal Fahad Al-Muzaini Tariq Mahmood Pasha Mohamed Guerhazi Mohammad Abdul Aleem Nausheen Ahmad Yousef S.M.A Al-Saad Irfan Siddiqui	Chairman Vice Chairman
Shariah Board	Justice (Retd.) Muhammad Taqi Usmani Dr. Muhammad Imran Ashraf Usmani Sheikh Esam Mohamed Ishaq Mufti Zubair Ahmed Mufti Muhammad Naveed Alam	President & CEO Chairman Vice Chairman
Management	Irfan Siddiqui Syed Amir Ali	President & CEO Deputy CEO
Board Audit Committee	Mohammad Abdul Aleem Faisal A.A.A. Al-Nassar Mohamed Guerhazi Saad Ur Rahman Khan	
Board Risk Management Committee	Faisal A. A. A. Al-Nassar Saad Ur Rahman Khan Bader H. A. M. A. Al-Rabiah Yousef S.M.A Al-Saad	
Board Human Resources, Remuneration & Compensation Committee	Riyadh S. A. A. Edrees Mohammad Abdul Aleem Nausheen Ahmad	
Board Information Technology Committee	Saad Ur Rahman Khan Riyadh S. A. A. Edrees Faisal A. A. A. Al-Nassar Irfan Siddiqui	
Board IFRS 9 Implementation Oversight Committee	Riyadh S. A. A. Edrees Faisal Fahad Al-Muzaini Irfan Siddiqui	
Resident Shariah Board Member	Mufti Muhammad Naveed Alam	
Chief Financial Officer	Syed Imran Ali Shah	
Company Secretary	Muhammad Sohail Khan	
Auditors	A. F. Ferguson & Co., Chartered Accountants	
Legal Adviser	Haidermota & Co. Advocates	
Registered Office and Head Office	Meezan House C-25, Estate Avenue, SITE, Karachi - 75730, Pakistan Phone: (92-21) 38103500, 37133500, Fax: (92-21) 36406056 24/7 Call Centre: (92-21) 111-331-331 & 111-331-332	
E-mail	info@meezanbank.com	
Website	www.meezanbank.com www.meezanbank.pk	
Shares Registrar	THK Associates (Pvt.) Ltd Plot No, 32-C, Jami Commercial, Street 2, DHA, Phase VII, Karachi - 75500, Pakistan Phone: (92-21) 111-000-322, 35310191-6 Email: secretariat@thk.com.pk, sfc@thk.com.pk Website: www.thk.com.pk	

الْحَمْدُ لِلَّهِ رَبِّ الْعَالَمِينَ

The Board of Directors is pleased to present the condensed interim unaudited unconsolidated and consolidated financial statements of Meezan Bank Limited for the quarter and nine months ended September 30, 2024.

Economy

Pakistan's economy is on the path to recovery as positive trends continue to emerge in the first quarter of Fiscal Year 2024-2025, driven by prudent policies and strategic initiatives implemented by the Federal Government, which have started to restore market confidence and stimulate economic activity. Key initiatives such as fiscal consolidation, broadening the tax base and efforts to address circular debt issue in the power sector would further strengthen the public finances. GDP growth accelerated to 2.4% in FY 2024, supported by increased industrial output, reduced inflationary pressures and an improved current account balance. Given the improved economic fundamentals, this positive trajectory is expected to continue in FY 2025.

Year-on-year Consumer Price Index (CPI) inflation has receded significantly, reaching single digits after peaking at 38% in May 2023. As of September 2024, inflation stands at 6.9%, the lowest in thirty-four months. This easing of inflation has prompted the State Bank of Pakistan (SBP) to adopt a more accommodative monetary policy stance, reducing the policy rate by a cumulative 450 basis points to 17.50% by the end of September 2024, down from 22.00% in September 2023. This downward trend in Policy Rate is expected to continue, given the improved inflationary outlook. The Pakistan Stock Exchange (PSX) has also shown remarkable performance, rising by 30% since the end of 2023. The PSX-100 Index closed at 81,114 points in September 2024, up from 62,451 points in December 2023, positioning it among the best-performing indices globally. This upward momentum is attributed to political stability, improved economic fundamentals and favourable market sentiment.

On the external front, Pakistan's total foreign exchange reserves increased to \$16 billion in September 2024, up from \$12 billion in September 2023 supported by receipt of the first loan tranche from the International Monetary Fund (IMF), robust remittances from overseas Pakistanis and improved export proceeds. The Government has successfully managed the trade deficit through increased exports and rationalization of imports. Worker remittances remain a critical source of foreign exchange, with positive trends emerging following the administrative reforms that have narrowed the exchange rate disparity between the interbank and open markets. Record high remittances of USD 8.8 billion were received in the first quarter of the fiscal year 2025. The above factors have resulted in a significant reduction in the current account deficit. The IMF's 37-month Extended Fund Facility (EFF) arrangement of approximately \$7 billion will further support macroeconomic stability and encourage efficient policies and reforms to address structural challenges and foster inclusive and resilient growth. These measures have resulted in stabilization of the PKR/USD exchange rate with the PKR strengthening to PKR 277.7 per US Dollar by the end of September 2024, compared to PKR 281.9 per US Dollar at the end of December 2023.

To ensure sustainable growth, continued fiscal consolidation in FY 2025 and beyond is essential. Overall, the nation's economy is beginning to stabilize, buoyed by the promising outlook of the new IMF programme, which is anticipated to drive further macroeconomic improvements in the long term.

Financial Highlights

Alhamdulillah, we are pleased to report that Meezan Bank has delivered strong results for the nine months ending September 2024, with a 34% increase in Profit after Tax, rising to Rs 77.5 billion from Rs 58 billion in the corresponding period last year. This translates into Basic Earnings per Share of Rs 43.26 by September 2024, compared to Rs 32.42 in the same period last year. The Bank's Return on Average Equity (ROAE) clocked at 50%, highlighting our remarkable financial performance, while Return on Average Assets (ROAA) surpassed 3%. Our strategy of balanced dividend pay-outs and profit retention has resulted in strong internal capital generation, reflected in a Capital Adequacy Ratio (CAR) in excess of 20%.

D I R E C T O R S ' R E V I E W

We are pleased to announce that the Board has approved an interim cash dividend of Rs 7.00 (70%) for the third quarter of 2024. This decision brings the total dividend payout for the nine-month period to Rs 21.00 (210%), which includes the Rs 14.00 per share (140%) interim cash dividend distributed in the first half of 2024. Our unwavering commitment to our shareholders is reflected in our long-standing tradition of consistently paying dividends every year since the Bank's listing on the Pakistan Stock Exchange. Meezan continues to maintain its status as the most valuable bank in Pakistan, with a market capitalization of Rs 409 billion (\$1.5 billion), underscoring investor confidence in the Bank's board and management, performance and growth prospects. Below are the financial highlights of Meezan Bank:

Rupees in millions

Profit & Loss Account	Jan - Sep 2024	Jan - Sep 2023	Growth %
Profit / return earned on financing, investments and placements	377,857	303,817	24%
Profit on deposits and other dues expensed	(163,103)	(149,171)	9%
Net spread earned	214,754	154,646	39%
Fee, commission and other non -funded income	18,208	15,168	20%
Operating income	232,962	169,814	37%
Operating and other expenses	(66,550)	(50,833)	31%
Profit before provisions	166,412	118,981	40%
Provision against NPLs and others - net	(1,900)	(4,416)	(57%)
Profit before tax	164,512	114,565	44%
Taxation	(86,985)	(56,528)	54%
Profit after tax	77,527	58,037	34%
Basic Earnings per share - Rupees	43.26	32.42	33%
Number of branches	1,015	983	3%

Rupees in millions

Statement of Financial Position	September 30, 2024	December 31, 2023	Growth %
Total Assets	3,379,808	3,012,109	12%
Investments	1,741,989	1,572,388	11%
Islamic financing and related assets - Gross	1,121,858	992,027	13%
Deposits	2,559,872	2,217,474	15%
ADR (Gross Advances to Deposits)- %	43.8%	44.7%	(1%)
Equity	230,731	184,908	25%

The return from financing, investments and placements increased by 24%, to Rs 378 billion compared to Rs 304 billion in September 2023, driven by a higher average SBP policy rate and an expanded average volume of earning assets. Over the nine months period, the SBP policy rate averaged 21.04%, up from 20.25% in September 2023. Returns on deposits and other expenses also rose from Rs 149.2 billion in September 2023 to Rs 163.1 billion marking a 9% increase year-over-year. Overall, our net spread improved by 39% to Rs 215 billion, up from Rs 155 billion in the corresponding period last year.

Fee and commission income depicted a robust growth of 24%, rising to Rs 15.4 billion by the end of the nine-month period from Rs 12.4 billion in September 2023, largely driven by contributions from Debit Card services, branch banking and trade-related income. During this period, our Debit Card portfolio expanded by around 500,000 cards, bringing the total to more than 3.7 million. Debit Card spending increased by 31%, with Near Field Communication (NFC) transactions

DIRECTORS' REVIEW

surging by 156%. Domestic spending on Debit Cards also rose significantly to Rs 178 billion for the nine months ending September 2024, compared to Rs 124 billion in the same period last year, reflecting a substantial increase of 42%. On the remittances front, Meezan Easy Remit is making significant strides in enhancing its global network, ensuring efficient cross-border transactions for our valued customers. During this period, our remittances income witnessed a jump of 68% compared to the same period last year, contributed by increase in remittance volumes. Dividend income nearly doubled to Rs 1.1 billion from Rs 588 million in September 2023, primarily driven by healthy distribution from investment in shares and mutual funds.

Operating expenses increased by 31%, rising from Rs 50.8 billion in September 2023 to Rs 66.5 billion in the current nine-month period. This increase is primarily due to sustained inflationary pressures throughout the period along with strategic investments in IT projects and the costs associated with expanding our branch network—reflecting our commitment to future growth. Despite these higher expenses, the Bank was able to maintain its cost to income ratio below 30%. The Bank remains dedicated to pursuing further cost rationalization and process automation strategies.

Total assets reached Rs 3.38 trillion, representing a 12% increase from Rs 3.01 trillion in December 2023. The liquidity generated through incremental deposits was effectively channelled in building the financings and investments portfolio which registered growth of 13% and 11% respectively. The investments portfolio rose to Rs 1.74 trillion from Rs 1.57 trillion at the end of 2023. This growth is largely due to ongoing Sukuk auctions conducted by the Government of Pakistan, which have helped address traditional liquidity management challenges within the Islamic Banking Industry (IBI).

The gross financing portfolio reached Rs 1.12 trillion from Rs 992 billion in December 2023, translating in Gross Advances-to-Deposits Ratio (ADR) of 44%. With the Gross ADR tax in place again, which was previously exempted for the banking sector for the financial year 2023, the Bank will strive to achieve a Gross ADR in excess of 50% while prioritizing asset quality preservation and adhering to all risk acceptance parameters. While growth is a priority, the objective remains to maintain a high-quality asset portfolio. As of September end, Meezan has one of the industry's lowest non-performing financing ratios at 1.7%. The Bank maintains a robust level of provisions against its non-performing financing portfolio, resulting in a coverage ratio of 179% as of September 2024.

The Bank's deposits portfolio grew by 15%, reaching Rs 2.56 trillion compared to Rs 2.22 trillion at year-end 2023. The Current Account (CA) deposit portfolio grew to Rs 1.2 trillion representing 47% of total deposits, while the Savings Account (SA) portfolio saw a significant increase of 26%, rising by Rs 231 billion to cross Rs 1 trillion. Together, Current and Savings Account (CASA) deposits amounted to Rs 2.32 trillion, representing 90% of the Bank's total deposit portfolio. During the nine-month period, Meezan Bank expanded its client base by adding approximately 757,000 new-to-bank customers, enhancing our deposit relationship portfolio. Meezan Bank's Roshan Digital Account continues to experience remarkable growth, maintaining its leadership position in the industry with total inflows of USD 2.3 billion, representing 26% of total industry inflows during the nine-month period ended September 2024. Currently, over 115,000 Meezan RDA accounts are operational, providing seamless banking services to members of the Pakistani diaspora residing in more than 144 countries worldwide.

In line with our hybrid growth model, we are expanding our physical presence while enhancing our digital customer onboarding processes. As of the end of the current nine-month period, our strategically located branch network consists of 1,015 branches across 339 cities, supported by an extensive ATM network with over 1,200 touchpoints nationwide. Our ATMs are biometric-enabled and offer Tap and Withdraw services, enabling customers to access ATM functions with a simple tap of their NFC-enabled debit cards. Additionally, our Merchant Acquiring Business includes over 24,000 POS terminals and partnerships with more than 800 e-commerce merchants across 326 cities. Notably, nearly 45% of our Card Acquiring Business comes from SME vendors, highlighting our commitment to financial inclusion. Our state-of-the-art Mobile Banking App offers a seamless and secure platform for customers to conduct digital transactions

DIRECTORS' REVIEW

efficiently. Meezan Bank's leadership in digital transactions among retail customers is further confirmed by 1-Link's Monthly Ranking Reports, which consistently rank us as the top bank for overall digital transactions processed through 1-Link's grid.

The VIS Credit Rating Company Limited has reaffirmed Meezan Bank with the highest possible credit rating of 'AAA' (Triple A) for the Long Term and 'A1+' (A-One Plus) for the Short Term, maintaining a stable outlook.

Outlook

Meezan Bank remains committed to supporting the economic growth and stability of our nation through the development of the Islamic Banking Industry. Our strategy prioritizes balanced growth, sector diversification and exceeding regulatory stability benchmarks. We are expanding our presence through both physical and digital channels, with a strong focus on delivering exceptional digital services to maintain our industry leadership. In view of the recent reduction in policy rate by Monetary Policy Committee of the SBP, there will be a pressure on the margins of the banking industry going forward. The Bank will endeavour to mitigate this impact through growth in core CASA deposits and improving its non-fund based revenue.

We extend our heartfelt appreciation to the State Bank of Pakistan, the Ministry of Finance and the Securities and Exchange Commission of Pakistan for their unwavering commitment to establishing a sustainable Islamic financial system in the country. Our significant accomplishments would not have been possible without the proactive support of our diverse customer base, to whom we are deeply indebted. We also express our gratitude to the Board of Directors, members of the Shariah Board, our shareholders and holders of Additional Tier I and Subordinated Tier II Sukuks for their continuous patronage for establishing Meezan Bank as the leading Islamic Bank in the country.

We would like to convey our appreciation to every member of our devoted team for their diligent efforts and steadfast dedication to furthering the mission of Islamic Banking. Above all, we humbly acknowledge and offer gratitude to Allah Almighty for His continuous blessings upon our Bank and each one of us, which have made possible our notable achievements within a relatively brief timeframe. We beseech Him for His continued support, granting us the fortitude and insight to continue advancing our Vision of "establishing Islamic banking as banking of first choice".

On behalf of the Board

Riyadh S.A.A. Edrees
Chairman

Irfan Siddiqui
President & CEO

Karachi:
October 21, 2024

ڈائریکٹرز کا تجزیہ

الحمد لله رب العالمین

بورڈ آف ڈائریکٹرز میزان بینک لمیٹڈ کے 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی اور نو مہینوں کے مختصر عبوری غیر جانچ شدہ مالیاتی حسابات اور انضمامی مالیاتی حسابات پیش کرتے ہیں۔

معیت

مالی سال 2024-2025 کی پہلی سہ ماہی میں مثبت رجحانات اجاگر ہونے کے باعث پاکستان کی معیشت بحالی کی راہ پر گامزن ہے، جو کہ وفاقی حکومت کی جانب سے نافذ کردہ دانشمندانہ پالیسیوں اور اسٹریٹجک اقدامات کا نتیجہ ہیں جنہوں نے مارکیٹ کا اعتماد بحال کرنا اور معاشی سرگرمیوں کو متحرک کرنا شروع کر دیا ہے۔ اہم اقدامات جیسے کہ مالیاتی استحکام، ٹیکس کی بنیاد کو وسیع کرنا اور پاور سیٹلر میں گردش قرضوں کے مسئلے کو حل کرنے کی کوششوں سے عوامی مالیات کو مزید تقویت ملے گی۔ مالی سال 2024 میں مجموعی داخلی پیداوار کی شرح نمو 2.4 فیصد تک پہنچ گئی، جس کی مدد سے صنعتی پیداوار میں اضافہ، افراط زر کے دباؤ میں کمی اور کرنٹ اکاؤنٹ بیلنس میں بہتری آئی۔ بہتر معاشی بنیادی اصولوں کے پیش نظر، یہ مثبت رفتار مالی سال 2025 میں جاری رہنے کی امید ہے۔

سال بہ سال کنزرویٹو پرائس انڈیکس (CPI) افراط زر میں نمایاں کمی آئی ہے جو کہ مئی 2023 میں 38% کی اونچی سطح پر جانے کے بعد کائی کے ہندسوں تک پہنچ گئی ہے۔ ستمبر 2024 میں افراط زر 6.9% پر ہے جو چوتیس مہینوں میں سب سے کم سطح پر ہے۔ مہنگائی میں اس کمی نے اسٹیٹ بینک آف پاکستان (SBP) کو مزید موافق مانیٹری پالیسی کا موقف اپنانے پر آمادہ کیا، جس سے ستمبر 2024 کے آخر تک پالیسی ریٹ کو مجموعی طور پر 450 بیسز پوائنٹس سے کم کر کے 17.50% کر دیا گیا، جو کہ ستمبر 2023 میں 22.00% سے کم ہو گیا ہے۔ افراط زر میں بہتری کے پیش نظر پالیسی کی شرح میں کمی کا یہ رجحان جاری رہنے کی توقع ہے۔ پاکستان اسٹاک ایکسچینج (PSX) نے بھی شاندار کارکردگی دکھائی ہے، جس میں 2023 کے اختتام سے اب تک 30 فیصد اضافہ ہوا ہے۔ PSX-100 انڈیکس ستمبر 2024 میں 81,114 پوائنٹس پر بند ہوا، جو دسمبر 2023 میں 62,451 پوائنٹس سے بڑھ کر اس کی عالمی سطح پر بہترین کارکردگی کی جانب اشارہ کرتا ہے۔ اس ترقی کی رفتار کی وجہ سے سیاسی استحکام، بہتر معاشی بنیادیں اور سازگار مارکیٹ کے حالات ہیں۔

بیرونی محاذ پر، پاکستان کے زرمبادلہ کے کل ذخائر ستمبر 2024 میں بڑھ کر 16 بلین امریکی ڈالر ہو گئے، جو کہ ستمبر 2023 میں 12 بلین امریکی ڈالر تھے اور جسے بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) سے قرض کی پہلی قسط کی وصولی، سمندر پار پاکستانیوں کی جانب سے ترسیلات زر میں زبردست اضافہ اور برآمدات میں بہتری کی وجہ سے معاونت حاصل ہوئی۔ حکومت نے برآمدات میں اضافہ اور درآمدات کی معقولیت کے ذریعے تجارتی خسارے کو کامیابی سے کم کیا ہے۔ وکرز کی ترسیلات زر غیر ملکی زرمبادلہ کا ایک اہم ذریعہ بنی ہوئی ہیں، جو کہ انتظامی اصلاحات کے نتیجے میں مثبت رجحانات ابھر رہے ہیں جنہوں نے انٹرنیٹ اور اپن مارکیٹوں کے درمیان شرح مبادلہ کے فرق کو کم کر دیا ہے۔ مالی سال 2025 کی پہلی سہ ماہی میں 8.8 بلین امریکی ڈالر کی ریکارڈ بلند ترسیلات زر موصول ہوئیں۔ مندرجہ بالا عوامل کے نتیجے میں کرنٹ اکاؤنٹ خسارے میں نمایاں کمی واقع ہوئی ہے۔ آئی ایم ایف کا تقریباً 7 بلین امریکی ڈالر کا 37 ماہ کی ایکسیٹریوڈ فنڈ فیسیلیٹی (EFF) کی وجہ سے میکرو اکنامک استحکام کو مزید معاونت ملے گی اور یہ ساختی چیلنجوں سے نمٹنے اور جامع اور یکجہ رائے فروغ کے لیے موثر پالیسیوں اور اصلاحات کی حوصلہ افزائی کرے گا۔ ان اقدامات کے نتیجے میں دسمبر 2023 کے آخر میں پاکستانی روپیہ 281.9 فی امریکی ڈالر کے مقابلے میں ستمبر 2024 کے آخر تک پاکستانی روپیہ 277.7 روپے فی امریکی ڈالر پر مستحکم ہونے کے ساتھ روپیہ/امریکی ڈالر کی شرح تبادلہ میں استحکام آیا ہے۔

پائیدار ترقی کو یقینی بنانے کے لیے، مالی سال 2025 اور اس کے بعد جاری مالی استحکام ضروری ہے۔ نئے آئی ایم ایف پروگرام کے امیدوار نقطہ نظر کے باعث مجموعی طور پر ملک کی معیشت مستحکم ہونا شروع ہو رہی ہے، جس سے مستقبل میں مزید معاشی بہتری کی توقع ہے۔

مالیاتی نکات

الحمد لله ہمیں یہ اطلاع دیتے ہوئے خوشی ہو رہی ہے کہ میزان بینک نے ستمبر 2024 کو ختم ہونے والے نو مہینوں کے لیے مستحکم نتائج پیش کیے ہیں، جس میں ٹیکس کے بعد منافع میں 34 فیصد اضافہ ہوا ہے، جو پچھلے سال کی اسی مدت میں 58 ارب روپے سے بڑھ کر 77.5 بلین روپے ہو گیا ہے۔ یہ ستمبر 2024 تک 43.26 روپے فی شیئر کی بنیادی آمدنی کی ترجمانی کرتا ہے، جو پچھلے سال کی اسی مدت میں 32.42 روپے تھی۔ بینک کا اوسط ایکویٹی پر منافع (ROAE) 50% تک پہنچ

گیا، جو ہماری شاندار مالی کارکردگی کو ظاہر کرتا ہے، جبکہ اوسط اثاثوں پر منافع (ROAA) 3% سے تجاوز کر گیا۔ متوازن ڈیویڈنڈ پے آؤٹس اور منافع کو برقرار رکھنے کی ہماری حکمت عملی کے نتیجے میں مستحکم اندرونی سرمایہ حاصل ہوا ہے، جو کہ 20% سے زیادہ کیپٹل ایڈ کیوٹی ریٹشو (CAR) میں ظاہر ہوتا ہے۔

ہمیں یہ اعلان کرتے ہوئے خوشی ہو رہی ہے کہ بورڈ نے 2024 کی تیسری سہ ماہی کے لیے 7.00 روپے (70%) کے عبوری نقد ڈیویڈنڈ کی منظوری دے دی ہے۔ اس فیصلے سے نومبر کی مدت کے لیے کل ڈیویڈنڈ کی ادائیگی 21.00 روپے (210%) ہو گئی ہے، جس میں 14.00 روپے فی شیئر (140%) عبوری کیش ڈیویڈنڈ شامل ہے جو 2024 کی پہلی ششماہی میں تقسیم کیا گیا ہے۔ ہمارے حصص یافتگان کے ساتھ ہماری غیر متزلزل وابستگی پاکستان اسٹاک ایکسچینج میں بینک کی لسٹنگ کے بعد سے ہر سال ڈیویڈنڈ ادا کرنے کی ہماری مسلسل دیرینہ روایت سے ظاہر ہوتی ہے۔ میزان 409 بلین روپے (1.5 بلین امریکی ڈالر) کے مارکیٹ کیپیٹل ریزرو کے ساتھ پاکستان میں ممتاز ترین بینک کے طور پر اپنی حیثیت برقرار رکھے ہوئے ہے، جو بینک کے بورڈ اور انتظامیہ، کارکردگی اور ترقی کے امکانات پر سرمایہ کاروں کے اعتماد کی عکاسی کرتا ہے۔ ذیل میں میزان بینک کی مالی جھلکیاں پیش کی گئی ہیں:

میزان بینک کے اہم مالیاتی نتائج درج ذیل ہیں:

روپے (ملین میں)

نفع و نقصان کا جائزہ	جنوری تا ستمبر 2024	جنوری تا ستمبر 2023	اضافہ کی شرح %
فنانسنگ، سرمایہ کاری اور Placements پر منافع	377,857	303,817	24%
جمع شدہ رقوم اور دیگر واجبات پر منافع	(163,103)	(149,171)	9%
خالص آمدنی	214,754	154,646	39%
فیس، کمیشن اور دیگر ننان۔ فنڈڈ آمدنی	18,208	15,168	20%
انتظامی آمدنی	232,962	169,814	37%
انتظامی اور دیگر اخراجات	(66,550)	(50,833)	31%
پروویژنز سے پہلے منافع	166,412	118,981	40%
NPLs اور دیگر کی مد میں پروویژنز	(1,900)	(4,416)	(57%)
قبل از ٹیکس منافع	164,512	114,565	44%
ٹیکس	(86,985)	(56,528)	54%
بعد از ٹیکس منافع	77,527	58,037	34%
فی حصص آمدنی۔ روپے میں۔	43.26	32.42	33%
برانچوں کی تعداد	1,015	983	3%

مالیاتی حیثیت کا جائزہ	30 ستمبر، 2024	31 دسمبر، 2023	اضافہ کی شرح %
کل اثاثے	3,379,808	3,012,109	12%
سرمایہ کاریاں	1,741,989	1,572,388	11%
اسلامی فنانسنگ اور متعلقہ اثاثے۔ مجموعی	1,121,858	992,027	13%
جمع شدہ رقوم	2,559,872	2,217,474	15%
اے ڈی آر (Gross advances to deposits)۔ فیصد	43.8%	44.7%	(1%)
ایکویٹی	230,731	184,908	25%

ستمبر 2023 میں 304 بلین روپے کے مقابلے میں فنانسنگ، سرمایہ کاری اور پلیمینٹس سے حاصل ہونے والا منافع 24 فیصد بڑھ کر 378 بلین روپے ہو گیا، جو کہ اسٹیٹ بینک آف پاکستان کی اضافی اوسط پالیسی ریٹ اور کمائی کے اثاثوں کے بڑھے ہوئے اوسط حجم کی وجہ سے ہے۔ نو مہینوں کے دوران اسٹیٹ بینک آف

پاکستان کی پالیسی کی اوسط شرح 21.04% رہی جو کہ ستمبر 2023 میں 20.25% سے زیادہ ہے۔ ڈپازٹس اور دیگر اخراجات پر منافع بھی ستمبر 2023 میں 149.2 بلین روپے سے بڑھ کر 163.1 بلین روپے ہو گیا، جس سے سال بھر میں 9% اضافہ ہوا۔ مجموعی طور پر ہمارا نیٹ اسپرڈ 39 فیصد بہتر ہو کر 215 بلین روپے ہو گیا، جو پچھلے سال کی اسی مدت میں 155 بلین روپے تھا۔

فیس اور کمیشن کی آمدنی میں 24 فیصد کا مستحکم اضافہ ظاہر ہوا، جو کہ ستمبر 2023 میں 12.4 بلین روپے سے نومبر کی مدت کے اختتام تک بڑھ کر 15.4 بلین روپے تک پہنچ گیا، جو زیادہ تر ڈیپٹ کارڈ سروسز، برانچ بینکنگ اور تجارت سے متعلق آمدنی کے باعث ممکن ہوا ہے۔ اس عرصے کے دوران ہمارے ڈیپٹ کارڈ پورٹ فولیو میں تقریباً 500,000 کارڈز کا اضافہ ہوا، جس سے ڈیپٹ کارڈز کی کل تعداد 3.7 بلین سے زیادہ ہو گئی ہے۔ ڈیپٹ کارڈز کے اخراجات میں 31 فیصد اضافہ ہوا، جس سے نیٹ فیلڈ کیونٹیشن (NFC) ٹرانزیکشنز میں 156 فیصد اضافہ ہوا۔ ستمبر 2024 کو ختم ہونے والے نو مہینوں کے لیے ڈیپٹ کارڈز پر گھریلو اخراجات بھی نمایاں طور پر بڑھ کر 178 بلین روپے ہو گئے، جو پچھلے سال کی اسی مدت میں 124 بلین روپے کے مقابلے میں 42 فیصد کے نمایاں اضافے کو ظاہر کرتا ہے۔ ترسیلات زر کے محاذ پر، میزان ایزی ریٹ اپنے عالمی نیٹ ورک کو بڑھانے میں اہم پیش رفت کر رہا ہے، اور ہمارے قابل قدر صارفین کے لیے سرحد پار سے موثر لین دین کو یقینی بنارہا ہے۔ اس عرصے کے دوران ہماری ترسیلات زر کی آمدنی میں گزشتہ سال کی اسی مدت کے مقابلے میں 68 فیصد کا اضافہ دیکھا گیا، جس کی وجہ ترسیلات زر کے حجم میں اضافہ تھا۔ منافع کی آمدنی ستمبر 2023 میں 588 بلین روپے سے تقریباً دو گنی ہو کر 1.1 بلین روپے ہو گئی، جس میں بنیادی طور پر حصص اور میوچل فنڈز میں سرمایہ کاری سے صحت مند تقسیم کے کوال کا فرما ہیں۔

آپریٹنگ اخراجات میں 31 فیصد اضافہ ہوا، جو ستمبر 2023 میں 50.8 بلین روپے سے بڑھ کر موجودہ نومبر کی مدت میں 66.5 بلین روپے تک پہنچ گیا۔ یہ اضافہ بنیادی طور پر آئی ٹی پروجیکٹس میں اسٹریٹجک سرمایہ کاری اور ہمارے برانچ نیٹ ورک کو وسعت دینے سے وابستہ اخراجات کے ساتھ پوری مدت میں مہنگائی کے مسلسل دباؤ کی وجہ سے ہوا ہے، جو کہ مستقبل کی ترقی کے لیے ہمارے عزم کی عکاسی کرتا ہے۔ ان اضافی اخراجات کے باوجود، بینک اپنی لاگت سے آمدنی کا تناسب 30% سے نیچے برقرار رکھنے میں کامیاب رہا۔ بینک لاگت کو مزید معقول بنانے اور خود کار طریقے سے عمل کرنے کی حکمت عملیوں کو آگے بڑھانے کے لئے کوشاں ہے۔

کل اثاثے 3.38 کھرب روپے تک پہنچ گئے، جو دسمبر 2023 میں 3.01 کھرب روپے سے 12 فیصد اضافے کو ظاہر کرتا ہے۔ اضافی ذخائر کے ذریعے پیدا ہونے والی لیکویڈیٹی کو فنانسنگ اور سرمایہ کاری کے پورٹ فولیو کی تعمیر میں مؤثر طریقے سے استعمال کیا گیا جس سے بالترتیب 13% اور 11% کی شرح نمو ریکارڈ کی گئی۔ سرمایہ کاری کا پورٹ فولیو 2023 کے آخر میں 1.57 کھرب روپے سے بڑھ کر 1.74 کھرب روپے تک پہنچ گیا۔ یہ نمو بڑی حد تک حکومت پاکستان کی جانب سے جاری سلوک نیلامیوں کی وجہ سے ہے، جس نے اسلامک بینکنگ انڈسٹری (IBI) میں لیکویڈیٹی منجمنٹ کے روایتی چیلنجوں سے نمٹنے میں مدد فراہم کی ہے۔

مجموعی فنانسنگ پورٹ فولیو دسمبر 2023 میں 992 ارب روپے سے بڑھ کر 1.12 کھرب روپے تک پہنچ گیا، جو کہ 44 فیصد کے مجموعی ایڈوانسز نو ڈپازٹس ریٹیشو (ADR) کو ظاہر کرتا ہے۔ گروس اے ڈی آرنگس دوبارہ لاگو ہونے کے ساتھ، جسے پہلے مالی سال 2023 کے لیے بینکنگ سیکٹر کے لیے اسٹیبل دیا گیا تھا، بینک اثاثوں کے معیار کے تحفظ کو ترجیح دیتے ہوئے اور تمام خطرے کی قبولیت کے پیرامیٹرز پمفل کرتے ہوئے 50% سے زیادہ مجموعی ADR حاصل کرنے کی کوشش کرے گا۔ اگرچہ ترقی ایک ترجیح ہے، تاہم بنیادی مقصد ایک اعلیٰ معیار کے اثاثہ جات کے پورٹ فولیو کو برقرار رکھنا ہے۔ ستمبر کے آخر تک میزان کا نان پر فارمنگ فنانسنگ ریٹیشو انڈسٹری میں سب سے کم میں سے ایک ہے جو کہ 1.7% ہے۔ بینک اپنے نان پر فارمنگ فنانسنگ پورٹ فولیو کے بدلے پروویڈنر کی ایک مضبوط سطح کو برقرار رکھتا ہے، جس کے نتیجے میں ستمبر 2024 تک کوریج ریٹیشو 179% ہے۔

بینک کے ڈپازٹس پورٹ فولیو میں 15 فیصد اضافہ ہوا، جو کہ سال 2023 کے آخر میں 2.22 کھرب روپے کے مقابلے میں 2.56 کھرب روپے تک پہنچ گیا۔ کرنٹ اکاؤنٹ (CA) ڈپازٹ پورٹ فولیو بڑھ کر 1.2 کھرب روپے ہو گیا جو کل ڈپازٹس کا 47 فیصد ہے، جبکہ سیونگس اکاؤنٹ (SA) پورٹ فولیو میں 26 فیصد کا نمایاں اضافہ دیکھا گیا، جو 231 ارب روپے کے اضافے سے 1 کھرب روپے سے تجاوز کر گیا۔ کرنٹ اور سیونگس اکاؤنٹ (CASA) کے ڈپازٹس مجموعی طور پر 2.32 کھرب روپے بنتے ہیں جو کہ بینک کے کل ڈپازٹ پورٹ فولیو کا 90% ہے۔ نومبر کی مدت کے دوران میزان بینک نے تقریباً 757,000 نئے بینک صارفین کو شامل کر کے ڈپازٹ ریلیشن شپ پورٹ فولیو کو بڑھایا۔ میزان بینک کاروشن ڈیجیٹل اکاؤنٹ مسلسل قابل ذکر ترقی کا مظاہرہ کر رہا ہے، جس نے 2.3 ارب امریکی ڈالر کی کل آمدنی کے ساتھ انڈسٹری میں اپنی اول پوزیشن کو برقرار رکھا ہے، جو ستمبر 2024 کو ختم ہونے والی نومبر کی مدت کے دوران انڈسٹری کی کل آمدن کا 26 فیصد ہے۔ فی الحال 115,000 سے زیادہ میزان روشن ڈیجیٹل اکاؤنٹس ہیں، جو کہ دنیا بھر کے 144 سے زائد ممالک میں مقیم پاکستانی تاجکین وطن کو بغیر کسی رکاوٹ کے بینکنگ خدمات فراہم کر رہے ہیں۔

ہمارے بائبر گروٹھ ماڈل کے مطابق ہم اپنے ڈیجیٹل کسٹمر آن بورڈنگ کے عمل کو بڑھاتے ہوئے اپنی فزیکل موجودگی کو بڑھا رہے ہیں۔ موجودہ نو ماہ کی مدت کے اختتام تک ہمارا اسٹریٹجک طور پر واقع برانچ نیٹ ورک 339 شہروں میں 1,015 برانچوں پر مشتمل ہے، جس کو ملک بھر میں 1,200 سے زیادہ چُچ پوائنٹس کے ساتھ ایک ویسٹ ATM نیٹ ورک کی مدد حاصل ہے۔ ہمارے ایس ٹی ایبز بائو میٹرک فعال ہیں اور ٹیپ اینڈ ووڈ راکی خدمات پیش کرتے ہیں، جس سے صارفین اپنے این ایف سی فعال ڈیٹ کارڈ کے ایک سادہ ٹیپ کے ساتھ اے ٹی ایم فنکشن تک رسائی حاصل کر سکتے ہیں۔ مزید برآں، ہمارے مرچنٹ ایکوارنگ بزنس میں 24,000 سے زیادہ POS ٹرمینلز اور 326 شہروں میں 800 سے زیادہ ای کامرس مرچنٹس کے ساتھ ٹراکٹ داری شامل ہے۔ خاص طور پر ہمارے کارڈ حاصل کرنے والے کاروبار کا تقریباً 45% ایس ایم ای وی پیڈرز سے آتا ہے، جو مالی شمولیت کے لیے ہماری وابستگی کو ظاہر کرتا ہے۔ ہماری جدید ترین موبائل بینکنگ ایپ صارفین کو مؤثر طریقے سے ڈیجیٹل لین دین کرنے کے لیے ایک ہموار اور محفوظ پلیٹ فارم پیش کرتی ہے۔ ریٹیل صارفین کے درمیان ڈیجیٹل لین دین میں میزان بینک کی قیادت کی مزید تصدیق 1-Link کی ماہانہ رینٹنگ رپورٹس سے ہوتی ہے، جو ہمیں 1-Link کے گروڈ کے ذریعے پروسیس ہونے والی مجموعی ڈیجیٹل لین دین کے لیے مسلسل سرفہرست بینک کے طور پر درج دیتی ہے۔

VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے مستحکم آؤٹ لک کو برقرار رکھتے ہوئے میزان بینک کو طویل مدت کے لیے 'AAA' (ٹریپل A) اور مختصر مدت کے لیے A1+ (A-One Plus) کی اعلیٰ ترین ممکنہ کریڈٹ ریٹنگ کے ساتھ دوبارہ تصدیق کی ہے۔

نقطہ نظر

میزان بینک اسلامی بینکنگ انڈسٹری کی ترقی کے ذریعے ہمارے ملک کی اقتصادی ترقی اور استحکام میں معاونت کے لیے پرعزم ہے۔ ہماری حکمت عملی متوازن نمو، شعبے میں تنوع اور مضابطوں کے استحکام کے معیارات سے تجاوز کو ترجیح دیتی ہے۔ ہم اپنی انڈسٹری کی لیڈر شپ کو برقرار رکھنے کے لیے غیر معمولی ڈیجیٹل خدمات کی فراہمی پر بھرپور توجہ کے ساتھ، فزیکل اور ڈیجیٹل دونوں چینلز کے ذریعے اپنی موجودگی کو بڑھا رہے ہیں۔ اسٹیٹ بینک کی مانیٹری پالیسی کمیٹی کی جانب سے پالیسی ریٹ میں حالیہ کمی کے پیش نظر، بڑھتے ہوئے بینکنگ انڈسٹری کے مارجن پر آئندہ دباؤ پڑے گا۔ بینک CASA کے بنیادی ذخائر میں اضافے اور اپنی غیر فنڈ پر مبنی آمدنی کو بہتر بنا کر اس اثر کو کم کرنے کی کوشش کرے گا۔

ہم اسٹیٹ بینک آف پاکستان، وزارت خزانہ اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کو ملک میں ایک پائیدار اسلامی مالیاتی نظام کے قیام کے لیے ان کے غیر متوازن عزم کے لیے تہ دل سے خراج تحسین پیش کرتے ہیں۔ ہماری اہم کامیابیاں ہمارے متنوع صارفین کے فعال تعاون کے بغیر ممکن نہیں ہوتیں، جن کے ہم دل کی گہرائیوں سے مقروض ہیں۔ ہم بورڈ آف ڈائریکٹرز، شریعہ بورڈ کے ممبران، اپنے شیئرز ہولڈرز اور ایڈیشنل Tier I اور تحت Tier II کے ہولڈرز کا بھی شکریہ ادا کرتے ہیں کہ انہوں نے میزان بینک کو ملک میں ایک سرکردہ اسلامی بینک کے طور پر قائم کرنے کے لیے مسلسل سرپرستی کی۔

اسلامی بینکاری کا مشن آگے بڑھانے کے لیے ہم اپنی پرعزم ٹیم کے ہر رکن کو ان کی مستعد کوششوں اور ثابت قدمی کے لیے خراج تحسین پیش کرنا چاہتے ہیں۔ سب سے بڑھ کر ہم عاجزی کے ساتھ اپنے بینک اور ہم میں سے ہر ایک پر اللہ تعالیٰ کی مسلسل نعمتوں کا اعتراف کرتے ہیں اور اس کا شکریہ ادا کرتے ہیں، جس نے نسبتاً مختصر وقت کے اندر ہماری قابل ذکر کامیابیوں کو ممکن بنایا ہے۔ ہم اُس کی مسلسل خوشنودی کے لیے اُس سے التجا کرتے ہیں، ہمیں "اسلامی بینکاری کو پہلی پسند کی بینکنگ کے طور پر قائم کرنے" کے اپنے وژن کو آگے بڑھانے کے لیے ہمت اور بصیرت عطا کرے۔

(منجانب بورڈ)

عرفان صدیقی
صدر اور CEO

ریاض ایس۔ اے۔ اے۔ اور ایس
چیرمین

کراچی:

21 اکتوبر 2024

CONDENSED INTERIM UNCONSOLIDATED
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

	Note	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
		Rupees in '000	
ASSETS			
Cash and balances with treasury banks	6	252,067,263	242,611,556
Balances with other banks	7	14,236,838	11,452,256
Due from financial institutions	8	34,964,299	34,964,299
Investments	9	1,741,989,047	1,572,387,620
Islamic financing and related assets	10	1,087,649,205	961,673,012
Property and equipment	11	45,310,828	39,046,484
Right-of-use assets	12	20,941,146	19,571,852
Intangible assets	13	2,709,652	2,271,709
Deferred tax asset		-	-
Other assets	14	179,939,308	128,129,969
Total Assets		3,379,807,586	3,012,108,757
LIABILITIES			
Bills payable	15	43,900,489	39,724,176
Due to financial institutions	16	337,621,262	377,494,612
Deposits and other accounts	17	2,559,872,438	2,217,473,924
Lease liability against right-of-use assets	18	25,185,532	22,093,855
Sub-ordinated sukuk	19	20,990,000	20,990,000
Deferred tax liabilities	20	7,849,141	4,213,492
Other liabilities	21	153,658,014	145,211,181
Total Liabilities		3,149,076,876	2,827,201,240
NET ASSETS		230,730,710	184,907,517
REPRESENTED BY			
Share capital		17,947,407	17,912,532
Reserves		45,435,421	37,082,157
Surplus on revaluation of assets - net of tax	22	18,124,602	10,920,597
Unappropriated profit		149,223,280	118,992,231
		230,730,710	184,907,517
CONTINGENCIES AND COMMITMENTS		23	

The annexed notes 1 to 42 form an integral part of these condensed interim unconsolidated financial statements.

Riyadh S. A. A. Edrees
Chairman

Irfan Siddiqui
President & Chief Executive

Mohammad Abdul Aleem
Director

Faisal A. A. A. AlNassar
Director

Syed Imran Ali Shah
Chief Financial Officer

CONDENSED INTERIM UNCONSOLIDATED

PROFIT AND LOSS ACCOUNT (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Note	Quarter ended September 30, 2024	Quarter ended September 30, 2023	Nine months period ended September 30, 2024	Nine months period ended September 30, 2023
Rupees in '000					
Profit / return earned on Islamic financing and related assets, investments and placements	24	128,506,227	120,831,793	377,856,588	303,816,525
Profit / return on deposits and other dues expensed	25	51,649,917	56,764,877	163,103,698	149,171,412
Net profit / return		76,856,310	64,066,916	214,752,890	154,645,113
OTHER INCOME					
Fee and commission income	26	5,891,413	4,603,452	15,358,335	12,388,468
Dividend income		150,473	129,467	1,069,021	587,931
Foreign exchange income		28,341	1,575,301	607,885	2,116,102
Gain / (loss) on securities	27	167,907	(526,272)	282,699	(901,785)
Net gains on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income	28	288,837	410,794	890,100	977,606
Total other income		6,526,971	6,192,742	18,208,040	15,168,322
Total income		83,383,281	70,259,658	232,960,930	169,813,435
OTHER EXPENSES					
Operating expenses	29	21,677,110	18,453,489	62,687,150	48,241,778
Workers welfare fund		1,207,524	1,050,119	3,433,665	2,535,151
Other charges	30	294,958	3,545	428,477	55,825
Total other expenses		23,179,592	19,507,153	66,549,292	50,832,754
Profit before credit loss allowance / provisions		60,203,689	50,752,505	166,411,638	118,980,681
Credit loss allowance / provisions and write offs - net	31	2,572,228	781,825	1,900,027	4,415,969
Extra ordinary / unusual items		-	-	-	-
Profit before taxation		57,631,461	49,970,680	164,511,611	114,564,712
Taxation	32	31,857,983	24,519,266	86,985,021	56,527,651
Profit after taxation		25,773,478	25,451,414	77,526,590	58,037,061
Rupees					
Basic earnings per share	33	14.36	14.21	43.26	32.42
Diluted earnings per share	34	14.26	14.20	43.00	32.39

The annexed notes 1 to 42 form an integral part of these condensed interim unctonsolidated financial statements.

Riyadh S. A. A. Edrees
Chairman

Irfan Siddiqui
President & Chief Executive

Mohammad Abdul Aleem
Director

Faisal A. A. AlNassar
Director

Syed Imran Ali Shah
Chief Financial Officer

CONDENSED INTERIM UNCONSOLIDATED

STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Quarter ended September 30, 2024	Quarter ended September 30, 2023	Nine months period ended September 30, 2024	Nine months period ended September 30, 2023
	Rupees in '000			
Profit after taxation for the period	25,773,478	25,451,414	77,526,590	58,037,061
Other comprehensive income / (loss)				
Items that may be reclassified to statement of profit and loss account in subsequent periods:				
- Movement in deficit on revaluation of debt investments through FVOCI - net of tax	8,902,538	-	5,994,714	-
- Gain on sale of debt investments carried at FVOCI reclassified to profit or loss account - net of tax	(86,373)	-	(145,286)	-
- Movement in surplus / (deficit) on revaluation of available for sale investments - net of tax	-	(820,697)	-	(1,705,919)
Items that will not be reclassified to statement of profit and loss account in subsequent periods:				
- Movement in surplus on revaluation of equity investments through FVOCI - net of tax	(353,111)	-	91,913	-
- Gain on sale of equity investments carried at FVOCI - net of tax	360,644	-	512,979	-
- Movement in deficit on revaluation of non - banking asset - net of tax	-	-	-	(281)
Total comprehensive income for the period	34,597,176	24,630,717	83,980,910	56,330,861

The annexed notes 1 to 42 form an integral part of these condensed interim unconsolidated financial statements.

Riyadh S. A. A. Edrees
Chairman

Irfan Siddiqui
President & Chief Executive

Mohammad Abdul Aleem
Director

Faisal A. A. A. AlNassar
Director

Syed Imran Ali Shah
Chief Financial Officer

CONDENSED INTERIM UNCONSOLIDATED

STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Capital reserves					Revenue reserve	Surplus / (deficit) on revaluation of		Unappropriated profit	Total
	Share capital	Share premium	Statutory reserve *	Non-Distributable Capital Reserve - Gain on Bargain Purchase	Employee share option compensation reserve	General reserve	Investments	Non-banking Assets		
	Rupees in '000									
Balance as at January 01, 2023 (Audited)	17,896,243	2,406,571	22,169,518	3,117,547	427,419	66,766	(666,349)	2,678	69,900,300	115,320,693
Profit after taxation for the nine months period ended September 30, 2023	-	-	-	-	-	-	-	-	58,037,061	58,037,061
Other Comprehensive loss for the nine months period ended September 30, 2023 - net of tax										
-Movement in surplus / (deficit) on revaluation of available for sale investments - net of tax	-	-	-	-	-	-	(1,705,919)	-	-	(1,705,919)
-Movement in surplus / (deficit) on revaluation of non - banking assets - net of tax	-	-	-	-	-	-	-	(281)	-	(281)
Total other comprehensive loss - net of tax	-	-	-	-	-	-	(1,705,919)	(281)	-	(1,706,200)
Transfer from surplus in respect of incremental depreciation of Non-banking assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(4)	4	-
Recognition of share based compensation	-	-	-	-	295,246	-	-	-	-	295,246
Other appropriations										
Transfer to statutory reserve*	-	-	5,803,706	-	-	-	-	-	(5,803,706)	-
Transactions with owners recognised directly in equity										
Final cash dividend for the year 2022 @ Rs 3 per share	-	-	-	-	-	-	-	-	(5,368,873)	(5,368,873)
First interim cash dividend for the year 2023 @ Rs 3 per share	-	-	-	-	-	-	-	-	(5,368,873)	(5,368,873)
Second Interim cash dividend for the year 2023 @ Rs 4 per share	-	-	-	-	-	-	-	-	(7,165,013)	(7,165,013)
Issue of 1,628,873 shares under the Employees share option scheme	16,289	219,870	-	-	(182,844)	-	-	-	(17,902,759)	(17,902,759)
Balance as at September 30, 2023 (Unaudited)	17,912,532	2,626,441	27,973,224	3,117,547	539,821	66,766	(2,372,268)	2,393	104,277,284	154,143,740
Profit after taxation for the quarter ended December 31, 2023	-	-	-	-	-	-	-	-	26,438,581	26,438,581
Other comprehensive income / (loss) for the quarter ended December 31, 2023 - net of tax										
Movement in surplus / (deficit) on revaluation of available for sale investments - net of tax	-	-	-	-	-	-	13,292,865	-	-	13,292,865
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	(123,510)	(123,510)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	(2,393)	-	(2,393)
Total other comprehensive income - net of tax	-	-	-	-	-	-	13,292,865	(2,393)	(123,510)	13,166,962
Transfer from surplus in respect of incremental depreciation of Non-banking assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	-	-	-
Recognition of share based compensation	-	-	-	-	114,500	-	-	-	-	114,500
Other appropriations										
Transfer to statutory reserve*	-	-	2,643,858	-	-	-	-	-	(2,643,858)	-
Transactions with owners recognised directly in equity										
Third interim cash dividend for the year 2023 @ Rs 5 per share	-	-	-	-	-	-	-	-	(8,956,266)	(8,956,266)
Balance as at December 31, 2023 (Audited)	17,912,532	2,626,441	30,617,082	3,117,547	654,321	66,766	10,920,597	-	118,992,231	184,907,517

CONDENSED INTERIM UNCONSOLIDATED

STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Capital reserves					Revenue reserve	Surplus / (deficit) on revaluation of		Unappropriated profit	Total
	Share capital	Share premium	Statutory reserve *	Non-Distributable Capital Reserve - Gain on Bargain Purchase	Employee share option compensation reserve	General reserve	Investments	Non-banking Assets		
	Rupees in '000									
Balance as at December 31, 2023 (Audited)	17,912,532	2,626,441	30,617,082	3,117,547	654,321	66,766	10,920,597	-	118,992,231	184,907,517
Impact of adoption of IFRS 9 - net of tax (note 5.2.10)	-	-	-	-	-	-	1,262,664	-	(669,309)	593,355
Profit after taxation for the nine months period ended September 30, 2024	-	-	-	-	-	-	-	-	77,526,590	77,526,590
Other comprehensive income / (loss) for the nine months periods ended September 30, 2024 - net of tax										
- Movement in deficit on revaluation of investments in debt instruments at FVOCI - net of tax	-	-	-	-	-	-	5,994,714	-	-	5,994,714
- Gain on sale of debt investments carried at FVOCI reclassified to profit or loss account - net of tax	-	-	-	-	-	-	(145,286)	-	-	(145,286)
- Gain on sale of equity investments carried at FVOCI - net of tax	-	-	-	-	-	-	-	-	512,979	512,979
- Movement in surplus on revaluation of equity investments carried at FVOCI - net of tax	-	-	-	-	-	-	91,913	-	-	91,913
Total other comprehensive loss - net of tax	-	-	-	-	-	-	5,941,341	-	512,979	6,454,320
Recognition of share based compensation	-	-	-	-	422,024	-	-	-	-	422,024
Other appropriations										
Transfer to statutory reserve*	-	-	7,752,659	-	-	-	-	-	(7,752,659)	-
Transactions with owners recognised directly in equity										
Final cash dividend for the year 2023 @ Rs 8 per share	-	-	-	-	-	-	-	-	(14,330,026)	(14,330,026)
First interim cash dividend for the year 2024 @ Rs 7 per share	-	-	-	-	-	-	-	-	(12,538,773)	(12,538,773)
Second interim cash dividend for the year 2024 @ Rs 7 per share	-	-	-	-	-	-	-	-	(12,563,185)	(12,563,185)
	-	-	-	-	-	-	-	-	(39,431,984)	(39,431,984)
Issue of 3,487,520 shares under the Employees shares option scheme (note 34.2)	34,875	477,812	-	-	(299,231)	-	-	-	45,432	258,888
Balance as at September 30, 2024 (Unaudited)	17,947,407	3,104,253	38,369,741	3,117,547	777,114	66,766	18,124,602	-	149,223,280	230,730,710

*This represents reserve created under section 21(i)(b) of the Banking Companies Ordinance, 1962.

The annexed notes 1 to 42 form an integral part of these condensed interim unconsolidated financial statements.

Riyadh S. A. A. Edrees
Chairman

Irfan Siddiqui
President & Chief Executive

Mohammad Abdul Aleem
Director

Faisal A. A. A. AlNassar
Director

Syed Imran Ali Shah
Chief Financial Officer

CONDENSED INTERIM UNCONSOLIDATED

CASH FLOW STATEMENT (UNAUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Note	Nine months period ended September 30, 2024	Nine months period ended September 30, 2023
		Rupees in '000	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		164,511,611	114,564,712
Less: Dividend income		(1,069,021)	(587,931)
		163,442,590	113,976,781
Adjustments:			
Depreciation	29	4,338,477	3,068,908
Net profit / return		(217,564,888)	(155,854,019)
Amortisation	29	500,516	375,521
Depreciation on right-of-use-assets	29	1,942,379	2,071,111
Amortisation of lease liability against right-of-use assets	25	2,811,998	1,208,906
(Reversal of provisions / credit loss allowance) / credit loss allowance / provisions and write offs - net	31	1,900,027	4,415,969
Share based compensation expense		422,024	295,246
Unrealised loss - FVTPL	27	6,206	18
Gain on sale of property and equipment	28	(304,852)	(317,223)
		(205,948,113)	(144,735,563)
		(42,505,523)	(30,758,782)
(Increase) in operating assets			
Islamic financings and related assets		(130,770,248)	61,531,975
Other assets		(2,683,250)	(6,319,783)
		(133,453,498)	55,212,192
Increase in operating liabilities			
Bills payable		4,176,313	1,738,574
Due to financial institutions		(39,873,350)	(13,430,171)
Deposits and other accounts		342,398,514	351,865,907
Other liabilities		10,530,812	(35,527,324)
		317,232,289	304,646,986
		141,273,268	329,100,396
Net profit / return received		329,556,431	225,636,720
Net profit / return paid		(164,754,419)	(136,436,820)
Income tax paid		(87,382,688)	(48,123,549)
Net cash generated from operating activities		218,692,592	370,176,747
CASH FLOW FROM INVESTING ACTIVITIES			
Net divestment in amortised cost securities		(20,984,249)	-
Net investments in securities classified as FVOCI		(136,445,223)	-
Net divestment in securities classified as FVTPL		5,256,087	-
Net investments in associates		(14,032)	-
Net investments in subsidiaries		(1,000,000)	-
Net investments in available for sale securities		-	(270,534,472)
Net divestment in held to maturity securities		-	189,725
Net divestment in held for trading securities		-	2,470
Dividends received		1,034,604	538,270
Additions in property and equipment	11.2	(10,791,746)	(10,215,099)
Additions in intangible assets	13.1	(938,459)	(382,177)
Proceeds from sale of property and equipment		493,777	458,759
Net cash used in investing activities		(163,389,241)	(279,942,524)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liability against right-of-use assets		(3,031,994)	(2,729,332)
Proceeds against issue of shares	34.2	258,888	99,699
Dividend paid		(40,257,918)	(19,433,336)
Net cash used in financing activities		(43,031,024)	(22,062,969)
Increase in cash and cash equivalents		12,272,327	68,171,254
Cash and cash equivalents at the beginning of the period		254,063,812	131,419,265
Opening net credit loss allowance on cash and cash equivalents	5.2.10	(36,327)	-
		254,027,485	131,419,265
Impact of net credit loss allowance on cash and cash equivalents during the period	31	4,289	-
Cash and cash equivalents at the end of the period	35	266,304,101	199,590,519

The annexed notes 1 to 42 form an integral part of these condensed interim unconsolidated financial statements.

Riyadh S. A. A. Edrees
Chairman

Irfan Siddiqui
President & Chief Executive

Mohammad Abdul Aleem
Director

Faisal A. A. AlNassar
Director

Syed Imran Ali Shah
Chief Financial Officer

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Bank Limited (the Bank) was incorporated in Pakistan on January 27, 1997, as a public limited company under the provisions of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017), and its shares are quoted on the Pakistan Stock Exchange Limited. The Bank was registered as an 'Investment Finance Company' on August 8, 1997, and carried on the business of investment banking as permitted under SRO 585(I)/87 dated July 13, 1987, in accordance and in conformity with the principles of Islamic Shariah. A 'Certificate of Commencement of Business' was issued to the Bank on September 29, 1997.
- 1.2** The Bank was granted a 'Scheduled Islamic Commercial Bank' license on January 31, 2002 and formally commenced operations as a Scheduled Islamic Commercial Bank with effect from March 20, 2002, on receiving notification in this regard from the State Bank of Pakistan (the SBP) under section 37 of the State Bank of Pakistan Act, 1956. Currently, the Bank is engaged in corporate, commercial, consumer, investment and retail banking activities.
- 1.3** The Bank was operating through one thousand and fifteen branches as at September 30, 2024 (December 31, 2023: one thousand and four branches). Its registered office is at Meezan House, C-25, Estate Avenue, SITE, Karachi, Pakistan.
- 1.4** The VIS Credit Rating Company Limited (VIS) has reaffirmed the Bank's medium to long-term rating as 'AAA' and short-term rating as 'A1+' on June 28, 2024 (2023: 'AAA' and 'A1+' dated June 27, 2023).

2 BASIS OF PRESENTATION

The Bank provides Islamic financing and related assets mainly through Murabaha, Istisna, Tijarah, Ijarah, Diminishing Musharakah, Running Musharakah, Bai Muajjal, Musawammah, Service Ijarah, Wakalah, Wakalah Tul Istithmar including under Islamic Export Refinance Scheme and various long term islamic refinancing facilities of the State Bank of Pakistan respectively.

The purchases and sales arising under these arrangements are not reflected in these unconsolidated financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of profit thereon. The income on such financing is recognised in accordance with the principles of Islamic Shariah. However, income, if any, received which does not comply with the principles of Islamic Shariah is recognised as charity payable if so directed by the Resident Shariah Board Member (RSBM) of the Bank.

3 STATEMENT OF COMPLIANCE

- 3.1** These condensed interim unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard (IAS) 34, International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
 - Directives issued by the State Bank of Pakistan (SBP) and the Securities Exchange Commission of Pakistan (SECP).

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IAS 34, IFRS or IFAS,

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the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives, shall prevail.

The disclosures made in these unconsolidated condensed interim financial statements have been limited based on the format prescribed by the SBP through BPRD Circular Letter No. 02 dated February 09, 2023 and the requirements of International Accounting Standard 34, "Interim Financial Reporting". They do not include all the information and disclosures required for annual financial statements, and therefore should be read in conjunction with the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2023.

3.2 Standards, interpretations of and amendments to published accounting And reporting standards that are effective in the current period:

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2024 but are considered not to be relevant or do not have any material effect on the Bank's operations and therefore not detailed in these unconsolidated condensed interim financial statements except for IFRS 9 (Financial Instruments), the impact of which is disclosed under note 5.2.

3.3 Standards, interpretations of and amendments to published accounting and Reporting standards that are not yet effective:

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2025 but are considered not to be relevant or do not have any material effect on the Bank's operations and therefore not detailed in these unconsolidated condensed interim financial statements.

4. BASIS OF MEASUREMENT

4.1 These condensed interim unconsolidated financial statements have been prepared under the historical cost convention except for certain non banking assets acquired in satisfaction of claims which are stated at revalued amounts; investment classified at fair value through profit or loss and fair value through other comprehensive income, commitments in respect of certain foreign exchange contracts which are measured at fair value; defined benefit obligations which are carried at present value; and right of use of assets and related lease liability measured at present value on initial recognition.

4.2 Functional and presentation currency

Items included in these condensed interim unconsolidated financial statements are measured using the currency of the primary economic environment in which the Bank operates. These condensed interim unconsolidated financial statements are presented in Pakistani Rupees, which is the Bank's functional and presentation currency.

4.3 Rounding off

Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

4.4 Critical accounting estimates and judgments

The basis for accounting estimates adopted in the preparation of these condensed interim unconsolidated financial statements are the same as that applied in the preparation of the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2023 except for changes mentioned in notes 5.2.

5 MATERIAL ACCOUNTING POLICY INFORMATION AND FINANCIAL RISK MANAGEMENT POLICIES

The material accounting policies applied in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2023 except for changes mentioned in notes 5.1 and 5.2.

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the annual audited unconsolidated financial statements for the year ended December 31, 2023.

5.1 Adoption of new forms for the preparation of condensed interim financial statements

The SBP, vide its BPRD Circular No. 02 dated February 09, 2023 and BPRD Circular No. 07 dated April 13, 2023, issued the revised formats of the annual / interim financial statements which are applicable for the preparation of condensed interim quarterly / half yearly financial statements, periods beginning on or after

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January 01, 2024 (previously January 01, 2023). The implementation of the revised formats has resulted in certain changes to the presentation and disclosures of various elements of the condensed interim financial statements. The significant change is that the right of use assets and corresponding lease liability are now presented separately on the face of statement of financial position. Previously, these were presented under property and equipment (previously titled fixed assets) and other liabilities respectively. As a result of this change, the property and equipment of the Bank decreased by Rs 20,941 million and Rs 19,572 million as of September 30, 2024 and December 31, 2023 respectively. Furthermore, other liabilities of the Bank decreased by Rs 25,186 million and Rs 22,094 as of September 30, 2024 and December 31, 2023 respectively. There is no impact of this change on the unconsolidated condensed interim financial statements in terms of recognition and measurement of assets and liabilities.

The Bank has adopted the above changes in the presentation and made additional disclosures to the extent applicable to its operations and corresponding figures have been rearranged / reclassified to correspond to current period presentation, as presented in note 40.

5.2 IFRS 9 - 'Financial Instruments'

As directed by the SBP via BPRD Circular No. 07 of 2023 dated April 17, 2023, IFRS 9, 'Financial Instruments' is effective for periods beginning on or after January 1, 2024 (previously January 01, 2023) for banks having asset base of more than Rs. 500 billion as at December 31, 2022. Moreover, SBP has also issued application instructions on IFRS 9 for banks in Pakistan for ensuring smooth and consistent implementation of the standard in the banks.

IFRS 9 brings fundamental changes to the accounting for financial assets and to certain aspects of accounting for financial liabilities. To determine appropriate classification and measurement category, IFRS 9 requires all financial assets, except equity instruments, to be assessed based on combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics. The adoption of IFRS 9 has also fundamentally changed the impairment method of financial assets with a forward-looking Expected Credit Losses (ECL) approach.

The SBP through its BPRD Circular Letter No. 16 dated July 29, 2024 has made certain amendments and extended the timelines of SBP's IFRS 9 Application Instructions to address most of the matters raised by the banks with a direction to ensure compliance by the extended timelines.

There are a few matters which include income recognition on Islamic financings, maintenance of general provision, and fair valuation of subsidised financings, the treatments of which are still under deliberation with the SBP. The Bank has continued to follow the treatment adopted in respect of these matters in the prior periods till the time SBP issues the relevant guidance / clarification.

5.2.1 Classification

Financial assets

Under IFRS 9, existing categories of financial assets: Held for Trading (HFT), Available for Sale (AFS) and Held to Maturity (HTM) and loans and receivables have been replaced by:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVOCI)
- Financial assets at fair value through profit or loss account (FVTPL)

Financial liabilities

Under IFRS 9, the accounting for financial liabilities remains largely the same as before adoption of IFRS 9 and thus all financial liabilities are being carried at amortised cost. Financial liabilities can also be designated at FVTPL where gains or losses arising from entity's own credit rating risk relating to, are required to be presented in other comprehensive income with no reclassification to profit or loss account. The Bank does not have any financial liability measured at FVTPL.

5.2.2 Business model assessment

The Bank determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Bank's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

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- The objectives for the portfolio, in particular, whether management's strategy focuses on earning contractual revenue, maintaining a particular yield profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed; and
- The expected frequency, value and timing of sales are also important aspects of the Bank's assessment. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Bank's original expectations, the Bank does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVTPL.

Eventually, the financial assets fall under either of the following three business models:

- i **Hold to Collect (HTC) Business Model:** Holding assets in order to collect contractual cash flows.
- ii **Hold to Collect and Sell (HTC&S) Business Model:** Collecting contractual cash flows and selling financial assets.
- iii **Other Business Models:** Resulting in classification of financial assets as FVTPL.

5.2.3 Assessments whether contractual cash flows are solely payments of principal and profit (SPPI)

As a second step of its classification process the Bank assesses the contractual terms of financial assets to identify whether they meet the SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium / discount). The most significant elements of profit within a financing arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Bank applies judgment and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the profit rate is set. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with basic financing arrangement, the related financial asset is classified and measured at FVTPL.

5.2.4 Application to Bank's financial assets

Debt based financial assets

Debt based financial assets held by the Bank includes: Islamic financing and related assets, investment in federal government securities and other government / private sukuk, due from financial institutions, cash and balances with treasury banks; balances with other banks; and other financial assets.

- a) These are measured at amortised cost if they meet both of the following conditions and is not designated as at FVTPL:
 - the assets are held within a business model whose objective is to hold assets to collect contractual cash flows; and
 - the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding.

The Bank's business model for these financial assets can still be HTC even when sales of these financial assets occur. However, if more than an infrequent number of sale of significant value are made, the Bank assess whether and how the sales are consistent with the HTC objective. This assessment include the reasons for the sales, the expected frequency of sales, and whether the assets that are sold are held for an extended period of time relative to their contractual maturities.

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- b) Aforementioned financial assets are measured at FVOCI only if it meets both of the following conditions and are not designated as at FVTPL:
- the asset are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
 - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding.
- c) Aforementioned financial assets, if held for trading purposes are measured at FVTPL.

In addition, on initial recognition, the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The application of these policies also resulted in classifications and consequent remeasurements of certain investments in GoP ijarah sukuk held under available for sale portfolio as of December 31, 2023 based on business model. Moreover, the Bank's investment in sub-ordinated sukuks issued by other Banks under available for sale portfolio as of December 31, 2023 have been reclassified as FVTPL since they do not pass the SPPI criteria due to equity conversion features embedded in the terms of these sukuks. Additionally, the Bank, has elected to classify investment in Islamic Naya Pakistan Certificates (previously classified under Available for Sale portfolio) as at December 31, 2023 at FVTPL. The following table reconciles their carrying amounts as reported on December 31, 2023 to the carrying amounts under IFRS 9 on transition to IFRS 9 on January 01, 2024:

Impact of reclassification

Investment type and category	Balances as of December 31, 2023 (Audited)	IFRS 9 Classification	Balances as of December 31, 2023	Remeasurements	Balances as of January 01, 2024
			Rupees in '000		
- Federal Government Sukuk - AFS	1,202,500,730	FVOCI	1,067,226,357	4,931,129	1,072,157,486
		FVTPL	10,473,351	-	10,473,351
		Amortized Cost	124,801,022	-	124,801,022
- Non Government Sukuk - AFS	135,525,257	FVOCI	134,442,257	-	134,442,257
		FVTPL	1,083,000	-	1,083,000

Equity based financial assets

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual share in the issuer's net assets.

The Bank measures all equity investments at fair value through profit or loss, except where the Bank's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. The Bank's policy is to designate equity investments as FVOCI when those investments are held for purposes other than for trading. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to the unconsolidated statement profit and loss account, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in the unconsolidated statement of profit and loss account as income when the Bank's right to receive payments is established.

IFRS 9 has eliminated impairment assessment requirements for investments in equity instruments. Accordingly, the Bank has reversed impairment of Rs 2,562 million on equity investment held as at December 31, 2023 and the same has been transferred

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to deficit on revaluation of investments through remeasurements.

Gains and losses on equity instruments at FVTPL are included in the 'Gain on sales of securities' line in the unconsolidated statement of profit and loss account.

The measurement category and carrying amounts of financial assets in accordance with the accounting and reporting standards as applicable in Pakistan before and after adoption of IFRS 9 as at January 1, 2024 are compared as follows:

Financial assets	Before adoption of IFRS 9		After adoption of IFRS 9	
	Measurement category	Carrying amount as at December 31, 2023 Rupees in '000	Measurement category	Carrying amount as at January 01, 2024
Cash and balances with treasury banks	Loans and receivables	242,611,556	Amortised cost	242,577,553
Balances with other banks	Loans and receivables	11,452,256	Amortised cost	11,449,932
Due from financial institutions - net	Loans and receivables	34,964,299	Amortised cost	34,964,299
Investments - net			Fair value through profit or loss	11,560,549
	Available-for-sale	1,354,524,725	Fair value through other comprehensive income	1,223,153,197
			Amortised cost	124,801,022
	Held-to-maturity	216,954,593	Amortised cost	216,954,593
Islamic financing and related assets - net	Loans and receivables	961,673,012	Amortised cost	958,315,528
Other assets (financial assets only)	Loans and receivables	125,309,036	Amortised cost / FVTPL	125,146,072
		<u>2,947,489,477</u>		<u>2,948,922,745</u>

5.2.5 Initial recognition and subsequent measurement

Financial assets and financial liabilities are recognised when the entity becomes party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade date, the date on which the Bank purchase or sell the asset. Other financial assets and liabilities like Islamic financing and related assets, due from financial institutions, deposits etc. are recognised when funds are transferred to the customers' account or financial institutions or as per underlying Shariah mode. However, for cases, where funds are transferred on deferred payment basis, recognition is done when underlying asset is purchased. The Bank will recognise due to customer and financial institution balances when these funds reach the Bank.

a) Amortised cost (AC)

Financial assets and financial liabilities under amortised cost category are initially recognised at fair value adjusted for directly attributable transaction cost. They are subsequently measured at amortised cost. An expected credit loss allowance (ECL) is recognised for financial assets in condensed interim unconsolidated statement of profit and loss account. Rental / profit income / expense on these assets / liabilities are recognised in condensed interim unconsolidated statement of profit and loss account. On derecognition of these financial assets and liabilities, capital gain / loss will be recognised in condensed interim unconsolidated statement of profit and loss account.

b) Fair value through other comprehensive income (FVOCI)

Financial assets under FVOCI category are initially recognised at fair value adjusted for directly attributable transaction cost. These assets are subsequently measured at fair value with changes recorded in OCI. An expected credit loss allowance (ECL) is recognised for these financial assets in condensed interim unconsolidated statement of profit and loss account. Rental / profit / dividend income on these assets are recognised in condensed interim unconsolidated statement of profit and loss account. On derecognition of these financial assets, capital gain / loss will be recognised in condensed interim unconsolidated statement of profit and loss account only in case of debt instruments. For equity based financial assets classified as FVOCI, capital gain / loss is transferred from surplus / deficit on revaluations of assets to unappropriated profit.

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c) Fair value through profit or loss (FVTPL)

Financial assets under FVTPL category are initially recognised at fair value. Transaction cost will be directly recorded in condensed interim unconsolidated statement of profit and loss account. These assets are subsequently measured at fair value with changes recorded in condensed interim unconsolidated statement of profit and loss account. Rental / profit / dividend income on these assets are recognised in condensed interim unconsolidated statement of profit and loss account. On derecognition of these financial assets, capital gain / loss will be recognised in condensed interim unconsolidated profit and loss account. An expected credit loss allowance (ECL) is not recognised for these financial assets.

5.2.6 Derecognition

Financial assets

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Bank transfers substantially all the risks and rewards of ownership, or (ii) the Bank neither transfers nor retains substantially all the risks and rewards of ownership and the Bank has not retained control.

The Bank enters into transactions where it retains the contractual rights to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all of the risks and rewards. These transactions are accounted for as 'pass through' transfers that result in derecognition if the Bank:

- (i) Has no obligation to make payments unless it collects equivalent amounts from the assets;
- (ii) Is prohibited from selling or pledging the assets; and
- (iii) Has an obligation to remit any cash it collects from the assets without material delay.

Collateral (shares and sukuks) furnished by the Bank under due from and due to institutions are not derecognised because the Bank retains substantially all the risks and rewards on the basis of the predetermined repurchase price, and the criteria for derecognition are therefore not met.

Financial liabilities

Financial liabilities are derecognised when these are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

The exchange between the Bank and its original participants of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of profit rate, new conversion features attached to the instrument and change in covenants are also taken into consideration.

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

5.2.7 Financial guarantee contracts

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities.

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Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- The amount of the loss allowance ; and
- The premium received on initial recognition less income recognised in accordance with the principles of IFRS 15.

5.2.8 Modification

The Bank sometimes renegotiates or otherwise modifies the contractual cash flows of financing to its customers. When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset in accordance with IFRS 9, the Bank recalculates the gross carrying amount of the financial asset and shall recognise a modification gain or loss in condensed interim unconsolidated statement of profit and loss account. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective profit rate (or credit-adjusted effective profit rate for purchased or originated credit-impaired financial assets). Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

5.2.9 Overview of the expected credit loss (ECL) principles

The Bank assesses on a forward-looking basis the expected credit losses ('ECL') associated with Islamic financing and related assets and other debt financial assets not held at FVTPL, together with letter of credit, guarantees and unutilised financing commitments hereinafter referred to as "Financial Instruments". The Bank recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL) as outlined below.

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECLs and 12mECLs are calculated at facility level.

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Bank considers an exposure to have significantly increased in credit risk when there is considerable deterioration in the internal rating grade for subject customer. The Bank also applies a secondary qualitative method for triggering a significant increase in credit risk for an asset, such as moving a customer / facility to the watch list, or the account becoming forborne. Regardless of the change in credit grades, generally, the Bank considers that there has been a significant increase in credit risk when contractual payments are more than 60 days past due. However, for certain portfolios, the Bank rebuts 60 DPD presumption based on behavioural analysis of its borrowers. When estimating ECLs on a collective basis for a group of similar assets , the Bank applies the similar principles for assessing whether there has been a significant increase in credit risk since initial recognition.

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IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- | | |
|---|---|
| Stage 1: | When financial instruments are first recognised, the Bank recognises an allowance based on 12mECLs. Stage 1 financial instruments also include facilities where the credit risk has improved and they have been reclassified from Stage 2. The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Bank calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast Exposure at default (EAD) and multiplied by the expected Loss given default (LGD) and discounted by an approximation to the original effective profit rate (EIR). This calculation is made for all the scenarios. |
| Stage 2: | When a financial instrument has shown a significant increase in credit risk (SICR) since origination, the Bank records an allowance for the LTECLs. Stage 2 also include facilities, where the credit risk has improved and the instrument has been reclassified from Stage 3. The mechanics are similar to those explained above, including the use of multiple scenarios, but probability of default (PD) are applied over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR. |
| Stage 3: | For financial instruments considered credit-impaired, the Bank recognises the lifetime expected credit losses for these instruments. The Bank uses a PD of 100% and LGD as computed for each portfolio or as prescribed by the SBP under the prudential regulations which ever is higher. |
| Purchased or originated credit impaired (POCI): | POCI assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and profit / rental is subsequently recognised based on a credit-adjusted EIR. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses. |
| Undrawn financing commitments | <p>When estimating LTECLs for undrawn financings commitments, the Bank estimates the expected portion of the financings commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the financings is drawn down, based on a probability-weighting of the three scenarios.</p> <p>For revolving facilities that include both a financings and an undrawn commitment. ECLs are calculated on un-drawn portion of the facility and presented within other liabilities.</p> |
| Guarantee and letters of credit contracts | The Bank estimates ECLs based on the BASEL driven credit conversion factor (CCF) for guarantee and letter of credit. The calculation is made using a probability-weighting of the three scenarios. The ECLs is recognised within other liabilities. |

The calculation of ECLs

The Bank calculates ECLs based on a three probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

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PD The Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. PD is estimated based on transitioning among credit states. Credit states are defined by rating classes and are based on the Bank's internal risk ratings (i.e. from 1 to 12). Through the yearly review of the non-consumer portfolio, the Bank has drawn a yearly transition matrix of ratings to compute a count based PD over the one year horizon for the past 7 years. PDs for non rated portfolios are calculated based on Days Past Due (DPD) bucket level for each segment separately. Where practical, they also build on information from External Rating Agencies. PDs are then adjusted for IFRS 9 ECL calculations to incorporate forward looking information.

EAD The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and profit, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued profit from missed payments. The maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Bank has the legal right to call it earlier. The Bank's product offering includes a variety of corporate and retail facilities, in which the Bank has the right to cancel and / or reduce the facilities with one day notice. However, in case of revolving facilities, the Bank does not limit its exposure to credit losses to the contractual notice period, but, instead calculates ECL over a period that reflects the Bank's expectations of the customer behaviour, its likelihood of default and the Bank's future risk mitigation procedures, which could include reducing or cancelling the facilities.

LGD The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The discount rate used to discount the ECLs is based on the effective profit rate that is expected to be charged over the expected period of exposure to the facilities. In the absence of computation of the effective profit rate (at reporting date), the Bank uses an approximation e.g. contractual rate (at reporting date).

Effective profit rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liabilities to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

When estimating the ECLs, the Bank considers three scenarios (a base case, an upside, a downside). Each of these is associated with different PDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted financing are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

The Bank considers only those collaterals as eligible collaterals in the EAD calculation which have the following characteristics:

- History of legal certainty and enforceability
- History of enforceability and recovery.

The Bank's management has only considered cash, liquid Securities, gold, and Government of Pakistan guarantees as eligible collaterals in the LGD calculation. All of these collaterals have a 0% haircut other than equity securities where haircut of 15% is applied.

The credit exposure (in local currency) that have been guaranteed by the Government and Government Securities are exempted from the application of ECL calculation.

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The SBP has issued FAQs in its BPRD Circular Letter No. 16 dated July 29, 2024 with regard to certain interpretation of the SBP application instructions. In respect of Stage 3 provision, the SBP has clarified that the banks, while assessing the higher of IFRS 9 ECL and provision under the SBP Prudential Regulations, shall take into account the ECL against corporate / commercial / SME financing portfolios at the borrower / facility level, and for the retail financing at segment / product basis.

Forward looking information

In its ECL models, the Bank relies on a range of forward looking information as economic inputs, such as:

- GDP growth
- Volume of exports of goods
- Consumer price index
- Unemployment rate

Definition of default

The Bank defines a financial instrument as in default, which is fully aligned with the definition of credit impaired, when it meets one or more of the following criteria:

The customer is more than 90 days past due on its contractual payments, except in case of agriculture, project infrastructure and housing financing. This implies that if one facility of a counterparty is defaulted as per the definition; all other facilities would deem to be classified as stage 3.

Further the following qualitative criteria has been determined for assessment of default:

- The Bank considers that the obligor is unlikely to pay its credit obligations in full, without recourse by the Bank to actions such as realising security (if held).
- The Bank makes a charge-off or account-specific provision resulting from a perceived decline in credit quality subsequent to the Bank taking on the exposure.
- The Bank consents to a distressed restructuring of the credit obligation where this is likely to result in a diminished financial obligation caused by the material forgiveness, or postponement, of principal, profit or (where relevant) fees.
- The obligor has sought or has been placed in bankruptcy or similar protection where this would avoid or delay repayment of the credit obligation to the industry group.

Write-offs

The Bank's accounting policy under IFRS 9 remains the same as it was under SBP regulations / existing reporting framework.

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5.2.10 The Bank has adopted IFRS 9 effective January 01, 2024 with modified retrospective approach for restatement permitted under IFRS 9. The cumulative impact of initial application of Rs 593.355 million has been recorded as an adjustment to equity at the beginning of the current accounting period. The details of the impacts of initial application are tabulated below:

	Balances as at December 31, 2023 (Audited)	Impact due to:					Total Impact - Gross of tax	Taxation (current and deferred)	Total Impact - Net of tax	Balances as of January 01, 2024	IFRS 9 Category	
		Recognition of Expected Credit Losses (ECL)	Adoption of revised classifications under IFRS 9	Classifications due to business model and SPPI assessments	Remeasurements due to business model and SPPI assessments	Reversal of provisions held						
												Rupees in '000
ASSETS												
Cash and balances with treasury banks	242,611,556	(34,003)	-	-	-	-	(34,003)	-	(34,003)	242,577,553	Amortised cost	
Balances with other banks	11,452,256	(2,324)	-	-	-	-	(2,324)	-	(2,324)	11,449,932	Amortised cost	
Due from financial institutions	34,964,299	-	-	-	-	-	-	-	-	34,964,299	Amortised cost	
Investments	1,354,524,725	-	(1,354,524,725)	(136,357,373)	2,475,812	2,562,068	(1,354,524,725)	-	(1,354,524,725)	1,223,153,197	FVOCI	
- Classified as Available for Sale	-	(52,035)	-	-	-	-	-	-	-	-	-	
- Classified as Fair Value through Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	
- Classified as Held to Maturity	216,954,593	-	(216,954,593)	124,801,022	-	-	(216,954,593)	-	(216,954,593)	341,755,615	Amortised cost	
- Classified as Amortized Cost	-	-	-	-	-	-	-	-	-	-	-	
- Classified as Held for Trading	-	-	-	-	4,198	-	-	-	-	11,560,549	FVTPL	
- Classified as Fair Value through Profit or Loss	-	-	-	-	-	-	-	-	-	-	Outside the scope of IFRS 9	
- Associates	845,252	-	-	-	-	-	-	-	-	845,252	Outside the scope of IFRS 9	
- Subsidiary	63,050	(52,035)	-	-	-	-	-	-	-	63,050	Outside the scope of IFRS 9	
Islamic financing and related assets	1,572,387,620	-	-	-	2,480,010	2,562,068	4,990,043	-	4,990,043	1,577,377,663		
- Gross Amount	992,027,463	-	-	-	-	-	-	-	-	992,027,463	Amortised cost	
- Provisions	(30,354,451)	(4,004,838)	-	-	-	647,354	(3,357,484)	-	(3,357,484)	(33,711,935)		
	961,673,012	(4,004,838)	-	-	-	647,354	(3,357,484)	-	(3,357,484)	958,315,528		
Property and equipment	39,046,484	-	-	-	-	-	-	-	-	39,046,484	Outside the scope of IFRS 9	
Right-of-use assets	19,571,852	-	-	-	-	-	-	-	-	19,571,852	Outside the scope of IFRS 9	
Intangible assets	2,271,709	-	-	-	-	-	-	-	-	2,271,709	Outside the scope of IFRS 9	
Deferred tax asset	-	-	-	-	-	-	-	-	-	-	Outside the scope of IFRS 9	
Other assets - Financial assets	125,309,036	(162,964)	-	-	-	-	(162,964)	-	(162,964)	125,146,072	Amortised cost / FVTPL	
Other assets - Non financial assets	2,820,933	-	-	-	-	-	-	-	-	2,820,933	Outside the scope of IFRS 9	
	3,012,108,757	(4,256,164)	-	-	2,480,010	3,209,422	1,433,268	-	1,433,268	3,013,542,025		
LIABILITIES												
Bills payable	39,724,176	-	-	-	-	-	-	-	-	39,724,176	Amortised cost	
Due to financial institutions	377,494,612	-	-	-	-	-	-	-	-	377,494,612	Amortised cost	
Deposits and other accounts	2,217,473,924	-	-	-	-	-	-	-	-	2,217,473,924	Amortised cost	
Lease liability against right-of-use assets	22,093,855	-	-	-	-	-	-	-	-	22,093,855	Amortised cost	
Sub-ordinated sukuk	20,990,000	-	-	-	-	-	-	-	-	20,990,000	Amortised cost	
Deferred tax liabilities	4,213,492	-	-	-	-	-	-	570,078	570,078	4,783,570	Outside the scope of IFRS 9	
Other liabilities - Non financial liabilities	22,291,665	-	-	-	-	-	-	-	-	22,291,665	Outside the scope of IFRS 9	
Other liabilities - Financial liabilities	122,919,516	269,835	-	-	-	-	269,835	-	269,835	123,189,351	Amortised cost / FVTPL	
	2,877,201,240	269,835	-	-	-	-	269,835	570,078	839,913	2,878,041,153		
	184,907,517	(4,525,999)	-	-	2,480,010	3,209,422	1,163,433	(570,078)	593,355	185,500,872		
NET ASSETS												
Share capital	17,912,532	-	-	-	-	-	-	-	-	17,912,532		
Reserves	37,082,157	-	-	-	-	-	-	-	-	37,082,157		
Surplus on revaluation of assets - net of tax	10,920,597	-	-	-	2,475,812	-	2,475,812	(1,213,148)	1,262,664	12,183,261		
Unappropriated profit	118,992,231	(4,525,999)	-	-	4,198	3,209,422	(1,313,179)	643,070	(669,309)	118,322,922		
	184,907,517	(4,525,999)	-	-	2,480,010	3,209,422	1,163,433	(570,078)	593,355	185,500,872		

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	Note	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
6 CASH AND BALANCES WITH TREASURY BANKS		Rupees in '000	
In hand			
- local currency		51,882,758	44,000,090
- foreign currencies		3,320,043	4,043,711
		55,202,801	48,043,801
With the State Bank of Pakistan in:			
- local currency current accounts		124,861,065	105,848,962
- foreign currency current accounts		16,291,898	14,790,799
	6.1	141,152,963	120,639,761
With the National Bank of Pakistan in:			
- local currency current accounts		55,724,034	73,915,744
National Prize Bonds	6.2	99	12,250
Less: Credit loss allowance held against cash and balances with treasury banks		(12,634)	-
Cash and balances with treasury banks - net of credit loss allowance		<u>252,067,263</u>	<u>242,611,556</u>

6.1 These include local and foreign currency amounts required to be maintained by the Bank with the SBP under the Banking Companies Ordinance, 1962 and /or stipulated by the SBP. These accounts are non-remunerative in nature.

6.2 These represent the national prize bonds received from customers for onward surrendering to SBP. The Bank, as a matter of Shariah principle, does not deal in prize bonds.

	Note	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
7 BALANCES WITH OTHER BANKS		Rupees in '000	
In Pakistan			
- in current accounts		10,905,950	9,035,396
Outside Pakistan			
- in current accounts		2,791,522	1,879,152
- in deposit accounts	7.1	558,770	537,708
		3,350,292	2,416,860
Less: Credit loss allowance held against balances with other banks		(19,404)	-
Balances with other banks - net of credit loss allowance		<u>14,236,838</u>	<u>11,452,256</u>

7.1 It represents the balance in the remunerative account maintained with financial institutions outside Pakistan. The return on the balance is 4.00% (December 31, 2023: 0.20% to 3.00%) per annum.

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	Note	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
8 DUE FROM FINANCIAL INSTITUTIONS		Rupees in '000	
Bai Muajjal receivable:			
- from scheduled banks / financial institutions - Secured	8.1	34,964,299	34,964,299
- from other Financial Institution		15,500	15,500
		34,979,799	34,979,799
		34,979,799	34,979,799
Less: Credit loss allowance held against due from financial institutions	8.2	(15,500)	(15,500)
Due from financial institutions - net of credit loss allowance / provision held		34,964,299	34,964,299

8.1 The effective average return on this product is 12.08% (December 31, 2023: 11.72%) per annum. The balances have maturities in July 2025 (December 31, 2023: July 2025).

8.2 Due from financial institutions - particulars of credit loss allowance / provision held	Note	September 30, 2024 (Unaudited)		December 31, 2023 (Audited)	
		Due from financial institutions	Credit loss allowance held	Due from financial institutions	Provision held
		Rupees in '000			
Domestic					
Stage 1 / Performing	8.2.1	34,964,299	-	34,964,299	-
Stage 2 / Under performing		-	-	-	-
Stage 3 / Non-performing					
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		15,500	15,500	15,500	15,500
		15,500	15,500	15,500	15,500
Total		34,979,799	15,500	34,979,799	15,500

8.2.1 The outstanding amount is secured against Federal Government securities.

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9 INVESTMENTS

9.1 Investments by types:

		September 30, 2024 (Unaudited)				December 31, 2023 (Audited)			
	Note	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in '000									
FVTPL securities									
- Federal Government securities		5,308,875	-	-	5,308,875	-	-	-	-
- Units of mutual funds		58,389	-	(5,206)	53,183	-	-	-	-
- Non Government Sukuk		933,000	-	3,198	936,198	-	-	-	-
		6,300,264	-	(2,008)	6,298,256	-	-	-	-
FVOCI securities									
- Federal Government Securities	9.1.2	1,196,834,477	-	30,199,476	1,227,033,953	-	-	-	-
- Shares		7,469,000	-	1,760,581	9,229,581	-	-	-	-
- Non Government Sukuk		127,502,794	341,728	3,604,109	130,765,175	-	-	-	-
- Foreign Securities	9.2	4,026,077	462	(25,731)	3,999,884	-	-	-	-
		1,335,832,348	342,190	35,538,435	1,371,028,593	-	-	-	-
Amortized Cost securities									
- Federal Government Securities	9.5	362,739,864	-	-	362,739,864	-	-	-	-
Available for sale securities									
- Federal Government Securities		-	-	-	-	1,190,199,366	-	12,301,364	1,202,500,730
- Shares		-	-	-	-	9,883,161	2,562,064	4,064,496	11,385,593
- Non Government Sukuk		-	-	-	-	130,442,094	70,645	5,153,808	135,525,257
- Foreign Securities		-	-	-	-	5,219,877	-	(106,732)	5,113,145
		-	-	-	-	1,335,744,498	2,632,709	21,412,936	1,354,524,725
Held to maturity securities									
- Federal Government Securities		-	-	-	-	216,954,593	-	-	216,954,593
In related parties									
Associates									
- Units of mutual funds		859,284	-	-	859,284	845,252	-	-	845,252
Subsidiaries*									
- Shares		1,063,050	-	-	1,063,050	63,050	-	-	63,050
Total Investments		1,706,794,810	342,190	35,536,427	1,741,989,047	1,553,607,393	2,632,709	21,412,936	1,572,387,620

* During the period, the Bank has invested Rs 1 billion as initial paid up capital in fully owned subsidiary - Meezan Exchange Company (Private) Limited.

9.1.1 Details of investment in subsidiary and associates

		September 30, 2024 (Unaudited)					
	Percentage of holding %	Assets	Liabilities	Revenue	Profit after taxation	Total comprehensive income	Market value / net asset share
Rupees in '000							
Subsidiaries (unlisted)							
Al Meezan Investment Management Limited	65.00%	7,642,663	2,171,555	4,237,860	1,504,281	1,504,281	3,556,221
Meezan Exchange Company (Private) Limited	100.00%	1,112,330	86,968	56,451	27,803	27,803	1,025,362
Associates (open ended - listed)							
Meezan Balanced Fund	14.22%	2,601,543	65,795	411,695	331,309	331,309	360,680
Al Meezan Mutual Fund	9.94%	5,888,823	125,233	960,555	818,543	818,543	572,776
Meezan Islamic Fund	4.35%	24,405,259	487,653	4,288,287	3,678,849	3,678,849	1,041,004
Meezan Sovereign Fund*	-	199,350,403	944,523	12,895,231	12,370,837	12,370,837	549
Meezan Gold Fund	8.45%	2,567,842	116,962	466,977	435,859	435,859	207,024
KSE Meezan Index Fund	5.40%	3,889,617	33,990	643,042	592,076	592,076	214,575
Meezan Cash Fund	0.01%	78,949,709	630,436	9,715,489	9,124,529	9,124,529	5,244
Meezan Islamic Income Fund	0.01%	42,062,371	149,352	3,217,824	2,985,665	2,985,665	5,272
		359,715,567	2,553,944	32,599,100	30,337,667	30,337,667	2,407,124

* Nil percentage due to round off

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	December 31, 2023				September 30, 2023		
	Percentage of holding %	Assets	Liabilities	Market value / net asset share	Revenue	Total comprehensive income	Profit after taxation
Subsidiary				Rupees in '000			
Al Meezan Investment Management Limited	65.00%	5,999,799	1,572,275	2,416,614	1,867,222	960,908	954,170
Associates (open ended - listed)							
Meezan Balanced Fund	21.94%	1,790,098	64,251	378,708	241,541	170,520	170,520
Al Meezan Mutual Fund	12.52%	4,501,792	171,965	542,147	421,541	318,538	318,538
Meezan Islamic Fund	4.95%	21,253,561	659,628	1,019,100	2,175,519	1,632,540	1,632,540
Meezan Sovereign Fund*	-	78,527,967	1,404,137	580	1,635,565	1,536,159	1,536,159
Meezan Gold Fund	11.74%	1,419,778	11,085	165,390	214,292	183,143	183,143
KSE Meezan Index Fund	6.00%	3,376,486	32,105	200,791	358,417	319,720	319,720
		110,869,682	2,343,171	2,306,716	5,046,875	4,160,620	4,160,620

* Nil percentage due to round off

Subsidiaries and associates are incorporated / registered in Pakistan. The shares in subsidiaries are placed in custody account with Central Depository Company of Pakistan Limited and cannot be sold without the prior approval of the SECP in accordance with the SECP's circular No. 9 of 2006 dated June 15, 2006.

9.1.2 Investments given as collateral

	September 30, 2024 (Unaudited)		December 31, 2023 (Audited)	
	Cost / amortised cost	Market value	Cost / amortised cost	Market value
	Rupees in '000			
Federal Government Securities				
- GoP Ijarah sukuks	137,500,000	141,226,250	184,000,000	186,760,000

9.2 Credit loss allowance / Provision for diminution in value of investments

	Note	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
		Rupees in '000	
Opening balance		2,632,709	3,204,697
Impact of adoption of IFRS 9 - reversal of provision held against shares	5.2.10	(2,562,068)	-
Impact of adoption of IFRS 9 - credit loss allowance	5.2.10	52,035	-
		(2,510,033)	-
Charge / (reversals)			
ECL charge for the period / year		237,698	-
Charge for the period / year		-	238,864
ECL reversals for the period / year (including cash recovery)		(18,184)	(5,247)
Reversal on disposals		-	(805,605)
		219,514	(571,988)
Closing balance	9.3	342,190	2,632,709

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9.3 Particulars of credit loss allowance / provision against debt securities

	September 30, 2024 (Unaudited)		December 31, 2023 (Audited)	
	Outstanding amount	Credit loss allowance held	Outstanding amount	Provision held
	Rupees in '000			
Domestic				
Performing - Stage 1	5,197,236	2,540	-	-
Under performing - Stage 2	-	-	-	-
Non-performing - Stage 3				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	339,650	339,650	70,645	70,645
	339,650	339,650	70,645	70,645
	5,536,886	342,190	70,645	70,645

9.4 The debt securities amounting to Rs 1,559,574 million and Rs 125,982 million pertains to Government securities and Government guaranteed exposure respectively. The exposure is exempted for the calculation of ECL by the SBP.

9.5 The market value of securities classified as amortised cost as at September 30, 2024 amounted to Rs 356,506 million (December 31, 2023: Rs 187,691 million).

	Note	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Rupees in '000			
10 ISLAMIC FINANCING AND RELATED ASSETS			
In Pakistan:			
Murabaha financing and related assets			
- Murabaha financing	10.1	4,515,544	6,547,184
- Financing under Islamic Export Refinance - Murabaha	10.1	381,024	503,859
- Financing against Islamic SME Asaan Finance	10.1	2,058,448	126,483
- Advances against Murabaha		7,768,590	11,526,208
- Murabaha inventory		1,909,165	1,958,612
- Advance against Islamic SME Asaan Finance		531,464	1,005,534
- Advance against Islamic Export Refinance - Murabaha		500,280	244,700
- Inventory under Islamic SME Asaan Finance		-	5,000
- Inventory under Islamic Export Refinance - Murabaha		-	-
		17,664,515	21,917,580
Running Musharakah financing			
- Running Musharakah financing		299,546,549	182,916,112
- Financing under Islamic Export Refinance - Running Musharakah		44,047,413	58,491,956
		343,593,962	241,408,068
Istisna financing and related assets			
- Istisna financing		26,424,514	35,529,463
- Advances against Istisna		53,686,898	99,829,298
- Istisna inventory		37,433,153	5,988,841
- Financing under Islamic Export Refinance - Istisna		272,424	344,330
- Advances under Islamic Export Refinance - Istisna		12,432,167	10,743,412
- Inventory under Islamic Export Refinance - Istisna		2,473,247	4,756,387
		132,722,403	157,191,731

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		September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	Note	Rupees in '000	
Tijarah financing and related assets			
- Tijarah financing		4,764,824	2,311,642
- Tijarah inventory		9,107,602	13,079,258
- Financing under Islamic Export Refinance - Tijarah		648,994	1,701,367
- Inventory under Islamic SME Asaan Finance		115,482	-
- Inventory under Islamic Export Refinance - Tijarah		745,648	836,798
		15,382,550	17,929,065
Musawammah financing and related assets			
- Musawammah financing	10.2	22,392,031	32,401,509
- Financing under Islamic Export Refinance - Musawammah	10.2	751,315	563,377
- Financing under SBP's Islamic Financing Facility for Renewable Energy (IFRE) - Musawammah	10.2	414,757	359,297
- Financing against Islamic SME Asaan Finance	10.2	56,229	-
- Advances against Musawammah		10,730,256	22,924,687
- Advance against Islamic SME Asaan Finance		25,001	-
- Musawammah Inventory		14,680,503	17,065,727
- Advances under Islamic Export Refinance - Musawammah		533,753	73,300
- Inventory under Islamic Export Refinance - Musawammah		308,475	301,000
		49,892,320	73,688,897
Salam Financing and related assets			
- Salam Financing		1,691,274	1,392,987
- Advances against Salam		17,546,081	23,878,427
- Salam Inventory		1,272,283	1,393,814
		20,509,638	26,665,228
Financing against bills			
- Financing against bills - Salam		341,709	1,291,913
- Advance against bills - Salam		1,738	1,738
		343,447	1,293,651
- Bai Muajjal financing	10.3	76,536,934	33,086,224
Ijarah financing and related assets			
- Net investment in Ijarah		48,758	56,050
- Net book value of assets / investment in Ijarah under IFAS 2		60,681,270	60,109,729
	10.4	60,730,028	60,165,779
- Advances against Ijarah		5,720,449	2,839,276
		66,450,477	63,005,055
Diminishing Musharakah financing and related assets			
- Diminishing Musharakah financing		213,031,190	198,619,635
- Diminishing Musharakah financing - housing		17,066,734	18,552,137
- Diminishing Musharakah financing - SBP's Islamic Financing Facility for Storage of Agricultural Produce (IFFSAP)		452,437	350,586
- Diminishing Musharakah financing - SBP's Islamic Financing Facility for Renewable Energy (IFRE)		14,821,455	15,917,226
- Diminishing Musharakah financing - SBP's Islamic Refinance Facility for Combating COVID – 19 (IRFCC)		140,654	215,211
- Diminishing Musharakah financing - SBP's Islamic SME Asaan Finance (I-SAAF) Scheme		2,460,551	76,973
- Diminishing Musharakah financing - SBP's Islamic Long Term Financing Facility (ILTFF) for Plant & Machinery		17,648,685	19,291,370
- Diminishing Musharakah financing - SBP's Islamic Temporary Economic Refinance Facility (ITERF)		18,144,188	17,643,962
- Diminishing Musharakah financing - under SBP's Islamic Refinance Facility for Modernization of SMEs (IRFMS)		200,000	-
- Diminishing Musharakah financing - SBP's Islamic Refinance and Credit Guarantee Scheme for Women Entrepreneurs (IRCGSWE)		11,254	7,873
- Advances against Diminishing Musharakah		27,447,535	16,379,833
- Advances against Diminishing Musharakah under SBP's IFFSAP		497,509	185,000
- Advances against Diminishing Musharakah under SBP's IFRE		2,905,406	1,284,996
- Advances against Diminishing Musharakah under SBP's IRFCC		133,409	181,715
- Advances against Diminishing Musharakah under SBP's ISAAF		751,504	963,154
- Advances against Diminishing Musharakah under SBP's ITERF		81,904	2,514,059
- Advances against Diminishing Musharakah under SBP's Islamic Refinance Facility for Modernization of SMEs (IRFMS)		9,085	-
- Advances against Diminishing Musharakah under SBP's IRCGSWE		-	9,963
- Advances against Diminishing Musharakah under SBP's ILTFF		3,275,352	4,005,820
		319,078,852	296,199,513

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	Note	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
		Rupees in '000	
- Musharakah financing		1,135,725	988,725
- Wakalah Tul Istithmar financing		-	30,602,133
- Advances against Wakalah Tul Istithmar		30,602,133	-
- Advances against Service Ijarah		30,820,052	14,884,577
- Qard financing under SBP's IRFCC		148,409	250,531
- Labbaik (Qard for Hajj and Umrah)		6,744	15,593
- Staff financing (including under SBP's IFRE)	10.5	15,706,472	11,614,300
- Other financing		1,263,679	1,286,592
Gross Islamic Financing and Related Assets	10.6	1,121,858,312	992,027,463
Less: Credit loss allowance against Islamic financing and related assets			
Stage 1	10.8 & 10.8.4	(1,720,460)	-
Stage 2	10.8 & 10.8.4	(981,173)	-
Less: Credit loss allowance / provision against non-performing Islamic financing and related assets - Specific / Stage 3	10.7 & 10.8 & 10.8.4	(17,907,474)	(16,107,097)
Less: Provision against non-performing Islamic financing and related assets - General	10.8 & 10.8.2 & 10.8.4	(13,600,000)	(14,247,354)
Islamic financing and related assets - net of credit loss allowance / provision		1,087,649,205	961,673,012
10.1 Murabaha receivable - gross	10.1.1	7,413,597	10,910,469
Less: Deferred murabaha income	10.1.3	(160,133)	(248,064)
Profit receivable shown in other assets		(298,448)	(3,484,879)
Murabaha financing	10.1.2	6,955,016	7,177,526
10.1.1 Murabaha Sale Price		7,407,408	10,910,469
Murabaha Purchase Price		(6,955,016)	(7,177,526)
		452,392	3,732,943
10.1.2 The movement in Murabaha financing during the period / year is as follows:			
Opening balance		7,177,526	7,932,713
Sales during the period / year		39,888,028	62,488,269
Adjusted during the period / year		(40,110,538)	(63,243,456)
Closing balance		6,955,016	7,177,526
10.1.3 Deferred murabaha income			
Opening balance		248,064	182,284
Arising during the period / year		2,717,498	7,710,517
Recognised during the period / year		(2,805,429)	(7,644,737)
Closing balance		160,133	248,064
10.2 Musawammah financing - gross		25,911,471	36,664,718
Less: Deferred income		(835,033)	(1,767,353)
Profit receivable shown in other assets		(1,462,106)	(1,573,182)
Musawammah financing		23,614,332	33,324,183
10.3 Bai Muajjal financing - gross		81,473,700	37,242,068
Less: Deferred income		(895,749)	(2,393,786)
Profit receivable shown in other assets		(4,041,017)	(1,762,058)
Bai Muajjal financing		76,536,934	33,086,224
10.4 Net book value of assets / investments in Ijarah under IFAS 2 is net of depreciation of Rs 50,713 million (December 31, 2023: Rs 49,011 million).			

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10.5 This includes Rs 895 million (December 31, 2023: Rs 707 million) representing profit free financing to staff advanced under the Bank's Human Resource Policies.

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	Rupees in '000	
10.6 Particulars of financing - Gross		
- in local currency	1,065,706,946	940,666,342
- in foreign currencies	56,151,366	51,361,121
	<u>1,121,858,312</u>	<u>992,027,463</u>

10.7 Islamic financing and related assets include Rs 19,075 million (December 31, 2023: Rs 16,939 million) which have been placed under non-performing / stage 3 status as detailed below:

	September 30, 2024 (Unaudited)		December 31, 2023 (Audited)	
Category of classification	Non-performing amount	Credit loss allowance	Non-performing amount	Provision held
	Rupees in '000			
Domestic				
Other Assets Especially Mentioned	2,314	1,055	207,244	2,380
Substandard	1,013,427	596,079	127,575	15,877
Doubtful	1,320,472	627,867	482,321	78,538
Loss	16,738,667	16,682,473	16,122,057	16,010,302
Total	<u>19,074,880</u>	<u>17,907,474</u>	<u>16,939,197</u>	<u>16,107,097</u>

10.8 Particulars of credit loss allowance / provision against Islamic financing and related assets:

	September 30, 2024 (Unaudited)						December 31, 2023 (Audited)			
	Expected credit loss			Specific	General	Total	Specific	General	Total	
Note	Stage 1	Stage 2	Stage 3							
	Rupees in '000									
Opening balance	-	-	-	16,107,097	14,247,354	30,354,451	12,812,762	9,780,641	22,593,403	
Implementation of IFRS 9	-	-	16,107,097	(16,107,097)	-	-	-	-	-	
Impact adoption of IFRS 9 - credit loss allowance	5.2.10	2,419,726	1,034,559	550,553	-	-	4,004,838	-	-	-
Impact of adoption of IFRS 9 - Reversal of provision	5.2.10	-	-	-	-	(647,354)	(647,354)	-	-	-
		2,419,726	1,034,559	550,553	-	(647,354)	3,357,484	-	-	-
Exchange Adjustment for the period / year		-	-	(8,528)	-	-	(8,528)	114,703	-	114,703
Charge for the period / year		404,815	468,133	4,331,156	-	-	5,204,104	3,934,473	4,500,000	8,434,473
Less: Reversals the period / year	10.8.1	(1,104,081)	(521,519)	(2,140,493)	-	-	(3,766,093)	(754,338)	(33,287)	(787,625)
		(699,266)	(53,386)	2,190,663	-	-	1,438,011	3,180,135	4,466,713	7,646,848
Transfer to other liabilities		-	-	(749,988)	-	-	(749,988)	-	-	-
Amount written off	10.8.4	-	-	(182,323)	-	-	(182,323)	(503)	-	(503)
Closing balance		1,720,460	981,173	17,907,474	-	13,600,000	34,209,107	16,107,097	14,247,354	30,354,451

10.8.1 It includes reversal on account of settlement of exposure amounting to Rs 590 million against acquisition of non-banking asset amounting to Rs 471 million (December 31, 2023: nil).

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10.8.2 In addition, the Bank has also maintained a general provision of Rs 13,600 million (December 31, 2023: Rs 13,600 million) against financing made on prudent basis, in view of prevailing economic conditions. This general provision is in addition to the requirements of Prudential Regulations and IFRS 9.

10.8.3 In accordance with BSD Circular No. 2 dated January 27, 2009 issued by the SBP, the Bank has availed the benefit of Forced Sales Value (FSV) of collaterals against certain non-performing facilities. The accumulated benefit availed amounts to Rs 87.8 million (December 31, 2023: Rs 419.00 million) and the additional profit arising from availing the FSV benefit - net of tax amounts to Rs 44.8 million (December 31, 2023: Rs 213.69 million). The increase in profit, due to availing of the benefit, is not available for distribution of cash and stock dividend to share holders.

10.8.4 Islamic financing and related assets - particulars of credit loss allowance

		September 30, 2024 (Unaudited)					December 31, 2023 (Audited)			
Note	Expected credit loss			Specific	General	Total	Specific	General	Total	
	Stage 1	Stage 2	Stage 3							
Rupees in '000										
Opening balance		-	-	-	16,107,097	14,247,354	30,354,451	12,812,762	9,780,641	22,593,403
Implementation of IFRS 9		-	-	16,107,097	(16,107,097)	-	-	-	-	-
Impact of adoption of IFRS 9	5.2.10	2,419,726	1,034,559	550,553	-	(647,354)	3,357,484	-	-	-
Balance as at January 01 after adopting IFRS 9		2,419,726	1,034,559	16,657,650	-	13,600,000	33,711,935	12,812,762	9,780,641	22,593,403
Fresh disbursements		293,890	58,304	14,546	-	-	366,740	-	-	-
Amount derecognised / repaid		(451,403)	(96,738)	(1,699,902)	-	-	(2,248,043)	-	-	-
Transfer to stage 1		31,442	(31,421)	(21)	-	-	-	-	-	-
Transfer to stage 2		(73,710)	73,820	(110)	-	-	-	-	-	-
Transfer to stage 3		(10,594)	(47,540)	58,134	-	-	-	-	-	-
Charge for the year - specific and general		-	-	-	-	-	4,049,176	4,500,000	-	8,549,176
Reversal for the year		-	-	-	-	-	(754,338)	(33,287)	-	(787,625)
		(210,375)	(43,575)	(1,627,353)	-	-	(1,881,303)	3,294,838	4,466,713	7,761,551
Amounts written off / charged off		-	-	(182,323)	-	-	(182,323)	(503)	-	(503)
Changes in risk parameters		(488,891)	(9,811)	3,809,488	-	-	3,310,786	-	-	-
Other changes		-	-	(749,988)	-	-	(749,988)	-	-	-
Closing balance		1,720,460	981,173	17,907,474	-	13,600,000	34,209,107	16,107,097	14,247,354	30,354,451

10.8.5 Category of classification

		September 30, 2024 (Unaudited)		December 31, 2023 (Audited)	
		Outstanding amount	Credit loss allowance	Outstanding amount	Provision held
		Rupees in '000			
Domestic					
Performing	Stage 1	1,060,143,034	1,720,460	927,924,620	-
Underperforming	Stage 2	42,640,398	981,173		
Non-Performing	Stage 3				
Other Assets Especially Mentioned		2,314	1,055	207,244	2,380
Substandard		1,013,427	596,079	127,575	15,877
Doubtful		1,320,472	627,867	482,321	78,538
Loss		16,738,667	16,682,473	16,122,057	16,010,302
		19,074,880	17,907,474	16,939,197	16,107,097
Total		1,121,858,312	20,609,107	944,863,817	16,107,097

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	Note	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
		Rupees in '000	
11. PROPERTY AND EQUIPMENT			
Capital work-in-progress	11.1	11,333,745	9,449,999
Property and equipment		34,277,083	29,896,485
		45,610,828	39,346,484
Less: Provision against capital work-in-progress		(300,000)	(300,000)
		45,310,828	39,046,484
11.1 Capital work-in-progress			
Advances to suppliers and contractors for:			
- civil works		6,901,195	6,359,312
- computer hardware		832,260	997,260
- purchase of vehicles		895,771	281,747
- office machines		2,116,845	1,419,869
- furniture and fixtures		587,674	391,811
		11,333,745	9,449,999
11.2 Additions to property and equipment		September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
The following additions (net) have been made to property and equipment during the period:		Rupees in '000	
Capital work-in-progress		1,883,746	2,141,715
Property and equipment			
Leasehold land		760,187	458,066
Building on leasehold land		500,877	597,250
Leasehold improvements		1,109,314	1,720,513
Furniture and fixture		234,006	191,671
Electrical, office and computer equipment		4,746,110	3,205,922
Vehicles		1,557,506	1,899,962
		8,908,000	8,073,384
		10,791,746	10,215,099
11.3 Disposal of property and equipment			
The net book value of fixed assets disposed off during the period is as follows:			
Leasehold improvements		19,729	6,247
Furniture and fixture		657	854
Electrical, office and computer equipment		5,516	17,345
Vehicles		163,023	117,090
		188,925	141,536
12. RIGHT-OF-USE ASSETS		September 30, 2024 (Unaudited)	
	Note	Cost	Accumulated Depreciation
			Net Book Value
		Rupees in '000	
At January 1, 2024		29,812,340	(10,240,488)
Additions during the period		3,311,673	-
Adjusted upon reassessment of lease term		-	-
Depreciation charge	29	-	(1,942,379)
Derecognition during the period		(94,123)	94,123
At September 30, 2024		33,029,890	(12,088,744)
			20,941,146

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	December 31, 2023 (Audited)		
	Cost	Accumulated Depreciation	Net Book Value
	Rupees in '000		
At January 1, 2023	20,682,720	(9,335,704)	11,347,016
Additions during the year	881,582	-	881,582
Adjusted upon reassessment of lease term	10,086,130	-	10,086,130
Depreciation charge	-	(2,742,876)	(2,742,876)
Derecognition during the year	(1,838,092)	1,838,092	-
At December 31, 2023	29,812,340	(10,240,488)	19,571,852

12.1 These rental agreements mainly pertains to the branches that are operated throughout Pakistan.

13. INTANGIBLE ASSETS

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	Rupees in '000	
Computer Software	2,118,177	1,651,018
Advance against computer software	591,475	620,691
	2,709,652	2,271,709

13.1 Additions to intangible assets

The following additions have been made to intangible assets during the period:

	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
	Rupees in '000	
Computer softwares (including advances)- directly purchased	938,459	382,177

14 OTHER ASSETS

	Note	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
		Rupees in '000	
Profit / return accrued in local currency		152,896,365	103,885,757
Profit / return accrued in foreign currencies		609,064	1,319,515
Acceptances		17,265,495	15,392,217
Advances, deposits, and other prepayments		3,808,845	2,898,657
Non-banking assets acquired in satisfaction of claims		521,407	50,243
Mark to market gain on forward foreign exchange contracts		162,095	-
Receivables on account of sale of securities		-	67,113
Dividends receivable		34,678	261
Stamps		24,303	24,397
Security deposits		536,986	515,716
Receivable under Alternate Delivery Channel (ADC)		2,460,930	3,373,605
Other		1,923,780	754,852
		180,292,948	128,282,333
Less: Credit loss allowance / provision held against other assets	14.1 & 14.1.1	(353,640)	(152,364)
Other Assets (net of credit loss allowance / provision held)		179,939,308	128,129,969

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14.1 Credit loss allowance / provision held against other assets	Note	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
		Rupees in '000	
Profit / return accrued		108,389	-
Acceptances		41,962	-
Non-banking assets acquired in satisfaction of claims		13,923	13,923
Others		189,366	138,441
		<u>353,640</u>	<u>152,364</u>
14.1.1 Movement in credit loss allowance / provision held against other assets			
Opening balance		152,364	107,921
Impact of adoption of IFRS 9	5.2.10	162,964	-
Charge for the period / year (including ECL)		151,422	72,972
Reversals for the period / year		(100,060)	(2,680)
Amount adjusted / written off		(13,050)	(25,849)
Closing balance		<u>353,640</u>	<u>152,364</u>
15 BILLS PAYABLE			
In Pakistan		<u>43,900,489</u>	<u>39,724,176</u>
16 DUE TO FINANCIAL INSTITUTIONS			
In Pakistan	16.1	<u>337,621,262</u>	<u>377,494,612</u>
	Note	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
16.1 Details of due to financial institutions - secured / unsecured		Rupees in '000	
Secured			
With State Bank of Pakistan			
Musharakah under Islamic Export Refinance Scheme		59,195,477	78,802,384
Investment under Islamic Long Term Financing Facility		20,741,577	23,280,222
Investment under Islamic Refinance Facility for Combating COVID-19		434,435	646,152
Investment under Islamic Financing for Renewal Energy		18,034,031	17,405,412
Investment under Islamic Temporary Economic Refinance Facility for Plant and Machinery		18,178,850	20,093,256
Investment under Islamic Refinance Scheme for storage of agriculture produce		929,541	525,523
Investment under Islamic Refinance and Credit Guarantee Scheme for Women Entrepreneurs (IRCGSWE)		10,979	7,861
Investment under Islamic Refinance Scheme for modernization of SMEs (IRFMS)		190,909	-
Investment under Islamic Refinance Scheme for SME Asaan Finance		6,372,306	455,509
Investment under Shariah Compliant Open Market Operations	16.1.1	-	180,159,641
Investment under Shariah Compliant Standing Ceiling Facility	16.1.1	100,305,910	-
		224,394,015	321,375,960
With Scheduled Bank	16.1.2	40,000,000	4,000,000
Other financial institutions		6,499,456	5,279,332
Total secured		<u>270,893,471</u>	<u>330,655,292</u>
Unsecured			
Overdrawn nostro accounts		827,791	2,679,320
Musharakah with scheduled banks / financial institutions	16.1.3	65,900,000	44,160,000
Total unsecured		66,727,791	46,839,320
		<u>337,621,262</u>	<u>377,494,612</u>

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16.1.1 These represent acceptance of funds by the Bank on Mudarabah basis which have been invested in special pools of the Bank and are secured against lien of the Bank's investment in Federal Government securities. The expected average return on Open Market Operations is Nil (December 31, 2023: 22.08%) per annum and on Standing Ceiling Facility is 18.5% (December 31, 2023: Nil) per annum.

16.1.2 These represent acceptance of funds by the Bank on Musharakah basis which are secured against pledge of the Bank's investment in Federal Government securities. The expected average return on these Musharakah arrangements is around 18.41% (December 31, 2023: 22.95%) per annum. These balances have matured in October 2024 (December 31, 2023: January 2024).

16.1.3 These represent acceptance of funds by the Bank on Musharakah basis. The expected average return on these Musharakah arrangements is around 16.90% (December 31, 2023: 21.97%) per annum. These balances have matured in October 2024 (December 31, 2023: January 2024).

17 DEPOSITS AND OTHER ACCOUNTS	September 30, 2024 (Unaudited)			December 31, 2023(Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
Rupees in '000						
Customers						
- Current accounts - non-remunerative	1,114,908,317	63,562,630	1,178,470,947	1,012,415,113	57,892,401	1,070,307,514
- Savings deposits	1,025,955,655	78,633,272	1,104,588,927	803,833,457	68,537,150	872,370,607
- Fixed deposits	227,830,098	15,375,626	243,205,724	217,884,345	17,080,020	234,964,365
- Margin deposits	17,875,414	597,759	18,473,173	25,622,708	1,108,617	26,731,325
	2,386,569,484	158,169,287	2,544,738,771	2,059,755,623	144,618,188	2,204,373,811
Financial institutions						
- Current accounts - non-remunerative	3,788,488	404,423	4,192,911	1,249,647	388,192	1,637,839
- Savings deposits	9,394,073	86,730	9,480,803	10,721,389	-	10,721,389
- Fixed deposits	1,459,953	-	1,459,953	740,885	-	740,885
	14,642,514	491,153	15,133,667	12,711,921	388,192	13,100,113
	2,401,211,998	158,660,440	2,559,872,438	2,072,467,544	145,006,380	2,217,473,924

18 LEASE LIABILITY AGAINST RIGHT-OF-USE ASSETS	Note	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
		Rupees in '000	
Opening balance		22,093,855	12,813,226
Additions during the period / year		3,311,673	881,582
Adjustment upon reassessment of lease term		-	10,086,130
Amortisation of lease liability against right-of-use assets		2,811,998	2,077,327
Payments made during the period / year		(3,031,994)	(3,764,410)
Closing balance		25,185,532	22,093,855

19 SUB-ORDINATED SUKUK

Additional Tier I Sukuk	19.1	7,000,000	7,000,000
Tier II Sukuk	19.2	13,990,000	13,990,000
		20,990,000	20,990,000

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19.1 In August 2018, the Bank issued regulatory Shariah compliant unsecured, sub-ordinated privately placed Additional Tier I Sukuk based on Mudaraba of Rs. 7,000 million as instrument of redeemable capital under section 66 of the Companies Act, 2017. The brief description of Additional Tier I sukuk is as follows:

Credit Rating	AA+ (Double A Plus) by VIS Credit Rating Company Limited
Issue Date	August 01, 2018
Tenor	Perpetual
Profit payment frequency	Monthly in arrears
Redemption	Perpetual. However, the Bank has call option which can be exercised with prior approval of SBP.
Expected Periodic Profit Amount (Mudaraba Profit Amount) - Non discretionary subject to profit of the pool	The Mudaraba Profit is computed under General Pool on the basis of profit sharing ratio and monthly weightages announced by the Bank under the SBP guidelines of pool management. Last announced profit rate on the Sukuk is 21.50% per annum.
Call Option	The Bank may call Additional Tier I Sukuk with prior approval of SBP on or after five years from the date of issue.
Loss Absorbency	The Additional Tier I Sukuk, at the option of the SBP, will be fully and permanently converted into common shares (variable) upon the occurrence of a point of non-viability trigger event as determined by SBP or for any other reason as may be directed by SBP.
Lock-in-Clause	Profit and/or redemption amount can be held back in respect of the Additional Tier I Sukuk, upon directive of the SBP, if such payment will result in a shortfall in the Bank's minimum capital requirement, capital adequacy ratio requirement or leverage ratio requirement.

19.2 In January 2020 and December 2021, the Bank issued regulatory Shariah compliant unsecured, subordinated privately placed Tier II Sukuk based on Mudaraba of Rs. 4,000 million and Rs 9,990 million respectively as instrument of redeemable capital under section 66 of the Companies Act, 2017. The brief description of Tier II sukuk is as follows:

Credit Rating	AAA (Triple A) by VIS Credit Rating Company Limited
Issue Date	January 09, 2020 and December 16, 2021
Tenor	10 years from the issue date
Profit payment frequency	Semi-annually in arrears
Redemption	Bullet payment at the end of the tenth year
Expected Periodic Profit Amount (Mudaraba Profit Amount) - Non-discretionary subject to actual profit of the pool	The Mudaraba Profit is computed under General Pool on the basis of profit sharing ratio and monthly weightages announced by the Bank under the SBP guidelines of pool management. Last announced profit rate on the Sukuk are 21.26% and 21.73% per annum respectively.
Call Option	The Bank may call Tier II Sukuk with prior approval of SBP on or after five years from the date of issue.
Loss Absorbency	The Tier II Sukuk, at the option of the SBP, will be fully and permanently converted into common shares (variable) upon the occurrence of a point of non-viability trigger event as determined by SBP or for any other reason as may be directed by SBP.
Lock-in-Clause	Profit and/or redemption amount can be held back in respect of the Tier II Sukuk upon directive of the SBP, if such payment will result in a shortfall in the Bank's minimum capital requirement, capital adequacy ratio requirement or leverage ratio requirement.

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20 DEFERRED TAX LIABILITIES

	Note	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
		Rupees in '000	
Taxable temporary differences on:			
Excess of accounting book values over tax written down values of owned assets		1,041,017	910,196
Surplus on revaluation of available for sale investments		-	10,492,339
Surplus on revaluation of FVOCI investments		17,413,833	-
		18,454,850	11,402,535
Deductible temporary differences on:			
Net credit loss allowance / provision against investments / impairment in value of investments		(167,673)	(1,140,570)
Deficit on revaluation of FVTPL investments		(984)	-
Income not accrued due to non-culmination of financing		(7,245,797)	(4,982,219)
Net credit loss allowance / provision against Islamic financing and related assets		(2,683,852)	(826,762)
Others		(507,403)	(239,492)
		(10,605,709)	(7,189,043)
		7,849,141	4,213,492

21 OTHER LIABILITIES

Return on deposits and other dues			
- payable in local currency		16,074,943	17,723,633
- payable in foreign currencies		329,434	331,465
Unearned income		3,845,849	3,290,414
Accrued expenses		41,716,448	30,548,977
Current taxation (provision less payments)		29,426,783	26,688,813
Acceptances		17,265,495	15,392,217
Dividend payable (including unclaimed dividend)		39,012	864,946
Payable to defined benefit plan		1,313,657	1,550,202
Credit loss allowance / provision against off-balance sheet obligations	21.1	347,668	55,167
Charity payable		15,164	242
Security deposits against Ijarah		19,684,183	18,946,084
Payable on account of credit murabaha / ijarah / musawammah		375,725	1,060
Security deposits against lockers		225,800	207,865
Mark to market loss on forward foreign exchange commitments - net		-	848,249
Withholding taxes payable		1,653,363	82,892
Workers Welfare Fund payable		12,660,494	9,226,829
Payable under Alternate Delivery Channel (ADC)		4,865,021	16,978,468
Others		3,818,975	2,473,658
		153,658,014	145,211,181

21.1 Provision against off-balance sheet obligations

Opening balance		55,167	55,167
Impact of adoption of IFRS 9	5.2.10	269,835	-
Charge for the period / year		166,444	-
Reversals for the period / year		(143,778)	-
Closing balance		347,668	55,167

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	Note	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
		Rupees in '000	
22 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX			
Surplus on revaluation of:			
- Securities measured at FVOCI-Debt		33,777,854	-
- Securities measured at FVOCI-Equity		1,760,581	-
Available for sale securities			
- Listed shares		-	4,064,496
- Sukuk		-	17,348,440
		-	21,412,936
		35,538,435	21,412,936
Deferred tax on surplus on revaluation of:			
- Securities measured at FVOCI-Debt		(16,551,148)	-
- Securities measured at FVOCI-Equity		(862,685)	-
- Available for sale securities		-	(10,492,339)
		(17,413,833)	(10,492,339)
		18,124,602	10,920,597
23 CONTINGENCIES AND COMMITMENTS			
- Guarantees	23.1	75,428,749	67,624,287
- Commitments	23.2	1,600,192,942	1,261,716,514
- Other contingent liabilities	23.3	1,802,000	1,802,000
		1,677,423,691	1,331,142,801
23.1 Guarantees:			
Financial guarantees		30,395	30,395
Performance guarantees		52,049,889	44,956,248
Other guarantees		23,348,465	22,637,644
		75,428,749	67,624,287
23.2 Commitments:			
Documentary letters of credit		283,041,335	235,057,572
Commitments in respect of:			
- forward foreign exchange contracts	23.2.1	328,258,742	281,400,267
Commitments for acquisition of:			
- fixed assets		193,295	599,915
- intangible assets		650,327	526,922
Other commitments	23.2.2	988,049,243	744,131,838
		1,600,192,942	1,261,716,514
23.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		200,056,446	170,276,350
Sale		128,202,296	111,123,917
		328,258,742	281,400,267
23.2.2 Other Commitments			
Commitments in respect of financing (including irrevocable commitments)		988,049,243	744,131,838

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23.3 Other contingent liabilities

The Income Tax Department amended the deemed assessment orders of the Bank for prior years including the tax year 2023. The additions / disallowances were mainly due to allocation of expenses relating to dividends and capital gain, allowability of provision against Islamic financing and related assets, provision against investments and provision against other assets. In the amended order for tax year 2015, additional issues with respect to the taxability of gain on bargain purchase, non-adjustment of loss pertaining to HSBC Bank Middle East – Pakistan Branches and the levy of super tax were also raised. The matter has been decided in Bank's favour by Appellate Tribunal Inland Revenue. Both the Bank and the tax department filed a reference with the High Court of Sindh in respect of the aforementioned matters.

The management of the Bank, in consultation with its tax advisors, is confident that the decision in respect of the above matters would be in Bank's favour and accordingly no provision has been made in these unconsolidated financial statements with respect thereto. The additional tax liability in respect of gain on bargain purchase and non-adjustment of loss pertaining to HSBC Bank Middle East – Pakistan Branches is Rs 1,096 million and Rs 706 million respectively.

	Note	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
24 PROFIT / RETURN EARNED ON ISLAMIC FINANCING AND RELATED ASSETS, INVESTMENTS AND PLACEMENTS		Rupees in '000	
Profit / return earned on:			
Financing	24.1	139,264,402	121,638,165
Investments		235,469,860	179,082,834
Deposits / placements with financial institutions		3,122,326	3,095,526
		<u>377,856,588</u>	<u>303,816,525</u>

24.1 The income on Ijarah under IFAS 2 is net of takaful of Rs 1,367 million (September 30, 2023: Rs 1,403 million) recovered from customers.

	Note	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
25 PROFIT / RETURN ON DEPOSITS AND OTHER DUES EXPENSED		Rupees in '000	
Deposits and other accounts	25.1	116,482,264	75,908,423
Sub-ordinated Sukuk		3,503,995	3,216,141
Shariah Compliant Open Market Operations and Standing Ceiling Facility from the State Bank of Pakistan		22,905,701	52,019,195
Other Musharakahs / Mudarabas		17,399,740	16,818,747
Amortisation of lease liability against right-of-use assets		2,811,998	1,208,906
		<u>163,103,698</u>	<u>149,171,412</u>

25.1 This includes conversion cost of Rs 3,916 million (September 30, 2023: Rs 2,695 million) against foreign currency deposits.

	Note	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
26 FEE AND COMMISSION INCOME		Rupees in '000	
Trade related fees and commissions	26.1	3,678,565	3,020,521
Commission on guarantees		175,612	148,817
Branch banking customer fees	26.1	2,585,485	1,975,386
Credit related fees		74,222	64,808
Debit card related fees	26.1	6,889,908	5,822,224
Investment banking related fees		373,745	288,330
Commission on cash management		335,003	310,772
Commission on home remittances		321,786	191,424
Others (including wealth management related fees)		924,009	566,186
		<u>15,358,335</u>	<u>12,388,468</u>

26.1 Trade related income pertains to corporate, commercial and SME segments. Branch banking fees pertain to retail banking segment while debit card fees pertain to alternative delivery channel segment.

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	Note	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
		Rupees in '000	
27 GAIN / (LOSS) ON SECURITIES			
Realised - net	27.1	288,905	(901,767)
Unrealised - measured as FVTPL / held for trading - net		(6,206)	(18)
		<u>282,699</u>	<u>(901,785)</u>
27.1 Realised gain / (loss) on:			
Federal Government securities		284,874	(289,080)
Listed shares		-	(612,687)
Associates		4,031	-
		<u>288,905</u>	<u>(901,767)</u>
27.2 Net gain / (loss) on financial assets measured at FVTPL / HFT			
- designated upon initial recognition		-	(18)
- mandatorily measured at FVTPL		(6,206)	-
Net gain / (loss) on financial assets measured at FVOCI / AFS		(6,206)	(18)
		<u>284,874</u>	<u>(901,767)</u>
		<u>278,668</u>	<u>(901,785)</u>
28 OTHER INCOME			
Gain on termination of Islamic financing		581,808	657,112
Gain on sale of property and equipment		304,852	317,223
Others		3,440	3,271
		<u>890,100</u>	<u>977,606</u>
29 OPERATING EXPENSES			
Total compensation expense		36,951,260	28,334,764
Property expense			
Depreciation on right-of-use assets		1,942,379	2,071,111
Rent and taxes		150,949	145,005
Utilities cost (including electricity and diesel)		2,649,235	2,039,539
Security (including guards)		1,325,972	959,691
Repair and maintenance (including janitorial charges)		931,374	1,049,725
Depreciation		961,105	844,296
Others		34,277	25,250
		<u>7,995,291</u>	<u>7,134,617</u>
Information technology expenses			
Software maintenance		1,839,375	1,260,563
Hardware maintenance		311,570	448,771
Depreciation		1,295,958	814,368
Amortisation		500,516	375,521
Network charges		290,603	255,289
		<u>4,238,022</u>	<u>3,154,512</u>

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		September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
		Rupees in '000	
Other operating expenses			
Stationery and printing (including debit card related cost)		1,948,458	1,399,802
Repairs and maintenance		615,602	443,125
Local transportation and car running		1,476,991	1,427,340
Depreciation on vehicles, equipment etc.		2,081,414	1,410,244
Legal and professional charges		107,966	114,618
NIFT and other clearing charges		218,966	183,270
Marketing, advertisement and publicity		1,512,979	927,122
Security charges - cash transportation		1,157,609	747,418
Communication (including courier)		2,160,141	1,220,815
Travelling and conveyance		267,778	218,972
Training and development		87,374	87,537
Donation		4,416	-
Fees, subscription and other charges		614,083	411,518
Brokerage and bank charges		211,507	254,765
Office supplies		503,442	416,806
Entertainment		73,292	62,241
Takaful expense		316,552	191,427
Outsourced services costs		27,027	15,252
Auditors' remuneration		31,035	13,506
Fees and allowances to Shariah Board		38,758	31,928
Directors' fees and allowances		46,840	39,740
Others		347	439
		13,502,577	9,617,885
		62,687,150	48,241,778
	Note	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
		Rupees in '000	
30 OTHER CHARGES			
Penalties imposed by the State Bank of Pakistan		428,477	55,825
31 CREDIT LOSS ALLOWANCE / PROVISIONS AND WRITE OFFS - NET			
Net reversal of credit loss allowance / provision against non-performing Islamic financing and related assets	10.8	1,438,011	4,919,374
Net credit loss allowance / provision for diminution in value of investments	9.2	219,514	(529,876)
Net reversal of credit loss allowance against cash and balance with treasury banks		(21,369)	-
Net credit loss allowance against balances with other banks		17,080	-
Net credit loss allowance / provision against other assets	14.1.1	51,362	30,037
Net credit loss allowance against off-balance sheet obligations and other liabilities		196,869	-
Recovery of written off financing		(1,440)	(3,566)
		1,900,027	4,415,969
32 TAXATION			
Current	32.1	89,627,796	59,407,549
Prior periods		-	601,324
Deferred		(2,642,775)	(3,481,222)
		86,985,021	56,527,651

32.1 The super tax amounting to Rs. 17,175 million (September 30, 2023: Rs 12,116 million) has been recorded by the Bank based on taxable income for the period.

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	Note	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
33 BASIC EARNINGS PER SHARE		Rupees in '000	
Profit for the period		<u>77,526,590</u>	<u>58,037,061</u>
		(Number)	
Weighted average number of ordinary shares		<u>1,792,245,992</u>	<u>1,790,107,613</u>
		(Rupees)	
Basic earnings per share		<u>43.26</u>	<u>32.42</u>
		September 30, 2024 (Unaudited) September 30, 2023 (Unaudited)	
34 DILUTED EARNINGS PER SHARE		Rupees in '000	
Profit for the period		<u>77,526,590</u>	<u>58,037,061</u>
		(Number)	
Weighted average number of ordinary shares (adjusted for effects of all dilutive potential ordinary shares)	34.1	<u>1,803,138,025</u>	<u>1,791,657,776</u>
		(Rupees)	
Diluted earnings per share		<u>43.00</u>	<u>32.39</u>
34.1 Reconciliation of basic and diluted earning per share		(Number)	
Weighted average number of ordinary shares		<u>1,792,245,992</u>	<u>1,790,107,613</u>
Add: Diluted impact of Employee stock option scheme		<u>10,892,033</u>	<u>1,550,163</u>
Dilutive potential ordinary shares		<u>1,803,138,025</u>	<u>1,791,657,776</u>
34.2	The Bank has issued 3,487,520 (September 30, 2023: 1,628,873) shares against proceeds of Rs 258.89 million (September 30, 2023: 99.70 million) under employees share option scheme. These shares were issued in July 2024 (September 30, 2023: July 2023).		
	Note	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
35 CASH AND CASH EQUIVALENTS		Rupees in '000	
Cash and balances with treasury banks	6	<u>252,067,263</u>	<u>187,840,849</u>
Balances with other banks	7	<u>14,236,838</u>	<u>11,749,670</u>
		<u>266,304,101</u>	<u>199,590,519</u>
36 FAIR VALUE INSTRUMENT			

Fair value measurement defines fair value as the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of quoted securities other than those classified as amortised cost / held to maturity, is based on quoted market price. Quoted debt securities classified as amortised cost / held to maturity are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiary, is determined on the basis of valuation methodologies which are best reflective of their business model in accordance with the SBP application instructions. The fair value of unquoted debt securities that are not available, fixed term financing, other assets, other liabilities, fixed term deposits and due to financial institutions cannot be calculated with sufficient reliability due to the absence of acurrent and active

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market for these assets and liabilities and reliable data regarding market rates for similar instruments.

In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since these are either short-term in nature or, in the case of customer financing and deposits, are frequently repriced.

36.1 Fair value of financial assets

The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured as at September 30, 2024 and December 31, 2023 by the level in the fair value hierarchy into which the fair value measurement is categorised.

September 30, 2024 (Unaudited)					
	Carrying value	Level 1	Fair value		Total
			Level 2	Level 3	
			Rupees in '000		
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
- Federal Government securities	1,232,342,828	202,284,693	1,024,749,260	5,308,875	1,232,342,828
- Shares / Units of mutual funds	9,282,764	8,611,754	53,183	617,827	9,282,764
- Non Government Sukuks	131,701,373	117,929,064	3,294,108	10,478,201	131,701,373
- Foreign Securities	3,999,884	-	3,989,495	10,389	3,999,884
	<u>1,377,326,849</u>	<u>328,825,511</u>	<u>1,032,086,046</u>	<u>16,415,292</u>	<u>1,377,326,849</u>
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government securities	362,739,864	-	335,452,568	21,053,574	356,506,142
	<u>362,739,864</u>	<u>-</u>	<u>335,452,568</u>	<u>21,053,574</u>	<u>356,506,142</u>
	<u>1,740,066,713</u>	<u>328,825,511</u>	<u>1,367,538,614</u>	<u>37,468,866</u>	<u>1,733,832,991</u>
Off-balance sheet financial instruments - measured at fair value					
Forward purchase and sale of foreign exchange contracts	331,947,512	-	331,947,512	-	331,947,512
	<u>331,947,512</u>	<u>-</u>	<u>331,947,512</u>	<u>-</u>	<u>331,947,512</u>
December 31, 2023 (Audited)					
	Carrying value	Level 1	Fair value		Total
			Level 2	Level 3	
			Rupees in '000		
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
- Federal Government securities	1,202,500,730	633,750	1,201,866,980	-	1,202,500,730
- Shares / Units of mutual funds	10,845,690	10,845,690	-	-	10,845,690
- Non Government Sukuks	119,520,856	119,520,856	-	-	119,520,856
- Foreign Securities	5,102,756	-	5,102,756	-	5,102,756
	<u>1,337,970,032</u>	<u>131,000,296</u>	<u>1,206,969,736</u>	<u>-</u>	<u>1,337,970,032</u>
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government securities	216,954,593	-	187,691,000	-	187,691,000
	<u>216,954,593</u>	<u>-</u>	<u>187,691,000</u>	<u>-</u>	<u>187,691,000</u>
	<u>1,554,924,625</u>	<u>131,000,296</u>	<u>1,394,660,736</u>	<u>-</u>	<u>1,525,661,032</u>
Off-balance sheet financial instruments - measured at fair value					
Forward purchase and sale of foreign exchange contracts	284,833,586	-	284,833,586	-	284,833,586
	<u>284,833,586</u>	<u>-</u>	<u>284,833,586</u>	<u>-</u>	<u>284,833,586</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
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FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

36.2 Fair value of non-financial assets

Fair value of non-financial assets		September 30, 2024 (Unaudited)			
	Carrying value	Fair value			Total
		Level 1	Level 2	Level 3	
		Rupees in '000			
Non-banking assets acquired in satisfaction of claims	507,484	-	-	507,484	507,484
	507,484	-	-	507,484	507,484
December 31, 2023 (Audited)					
	Carrying value	Fair value			Total
		Level 1	Level 2	Level 3	
		Rupees in '000			
Non-banking assets acquired in satisfaction of claims	36,320	-	-	36,320	36,320
	36,320	-	-	36,320	36,320

Non-banking assets acquired in satisfactions of claims are carried at revalued amounts (level 3 measurement) determined by professional valuers based on their assessment of the market values.

Valuation techniques used in determination of fair values

Item	Valuation approach and input used
Listed Securities	The valuation has been determined through closing rates of Pakistan Stock Exchange.
GoP Sukuk	The fair value of GoP Ijarah sukuks listed on Pakistan Stock Exchange has been determined through closing rates of Pakistan Stock Exchange. The fair value of other GoP Ijarah sukuks quoted are derived using PKISRV rates. The PKISRV rates are announced by FMA (Financial Market Association) through Reuters. The rates announced are simple average of quotes received from eight different pre-defined / approved dealers / brokers.
Foreign Sukuk	These are measured at fair value using the rates published by the valuation expert portal (Bloomberg).
Forward foreign exchange contracts	The valuation has been determined by interpolating the mid rates announced by SBP.
Non-banking assets acquired in satisfaction of claims	NBAs are valued by professionally qualified valuers as per the accounting policy disclosed in the unconsolidated financial statements of the Bank for the year ended December 31, 2023.
Mutual Funds	The valuation has been determined based on net asset values (NAV) declared by respective funds.
Unquoted Equity Securities	The value of unquoted equity securities are determined by using different methods for different securities. Fair value of investment in one of the unquoted investee has been determined by Dividend Discount Model (DDM) by using constant dividends streams of the entity by using various key assumptions considering economic and market conditions. Key assumptions include discount rate and terminal growth rate (if applicable).
Corporate sukuks	The valuation has been determined through closing rates announced by FMA (Financial Market Association) through Reuters.

The Bank's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer occurred.

There were no transfers between levels 1 and 2 during the period / year.

The valuation of non-banking assets acquired in satisfaction of claims, mentioned above, is conducted by the valuation expert appointed by the Bank which is also on the panel of the Pakistan Banks' Association (PBA). The valuation expert uses a market based approach to arrive at the fair value of the Bank's non-banking asset acquired in satisfaction of claims. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable or similar properties. This value is adjusted to reflect the current condition of the property. The effect of changes in the unobservable inputs used in the valuation cannot be determined with certainty, accordingly a quantitative disclosure of sensitivity has not been presented in these condensed interim unconsolidated financial statements.

The sensitivity analysis of the fair value measurement of unquoted equity securities due to changes in observable inputs has not been disclosed as the amount is not material and significant.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
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FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

37 SEGMENT INFORMATION

37.1 Segment Details with respect to Business Activities

Segment Details with respect to Business Activities	2024					
	Corporate and Commercial banking	Retail Banking	Trading & Sales	Others	Inter-segment Eliminations	Total
	Rupees in '000					
Statement of profit and loss account for the nine months period ended September 30, 2024 (Unaudited)						
External Funded Revenue	134,197,472	7,499,592	236,159,524	-	-	377,856,588
External Non funded Revenue	4,502,603	3,936,320	1,956,779	7,812,338	-	18,208,040
Inter segment revenue - net	-	347,766,863	-	-	(347,766,863)	-
Total Income	138,700,075	359,202,775	238,116,303	7,812,338	(347,766,863)	396,064,628
External Cost of funds	10,388,705	120,074,489	32,640,505	-	-	163,103,699
Segment direct expenses	2,041,417	59,137,791	1,001,594	4,368,489	-	66,549,291
Inter segment expense allocation	116,416,634	-	231,343,949	6,280	(347,766,863)	-
Total expenses	128,846,756	179,212,280	264,986,048	4,374,769	(347,766,863)	229,652,990
(Reversal of provisions / credit loss allowance) / credit loss allowance / provisions and write offs - net	1,802,695	(71,823)	(9,962)	179,117	-	1,900,027
Profit before tax	8,050,624	180,062,318	(26,859,783)	3,258,452	-	164,511,611
Statement of financial position as at September 30, 2024 (Unaudited)						
Cash and Bank balances	3,330,888	259,030,114	-	3,943,099	-	266,304,101
Due from financial institutions - net	-	-	34,964,299	-	-	34,964,299
Investments - net	13,771,846	-	1,728,217,201	-	-	1,741,989,047
Net inter segment lending	-	2,370,084,947	-	-	(2,370,084,947)	-
Islamic financings and related assets - net	999,519,079	88,130,126	-	-	-	1,087,649,205
Others	47,415,945	79,591,959	119,269,175	2,623,855	-	248,900,934
Total Assets	1,064,037,758	2,796,837,146	1,882,450,675	6,566,954	(2,370,084,947)	3,379,807,586
Due to financial institutions	117,205,801	13,381,760	207,033,701	-	-	337,621,262
Deposits and other accounts	-	2,559,872,438	-	-	-	2,559,872,438
Subordinated Sukuk	20,990,000	-	-	-	-	20,990,000
Net inter segment borrowing	823,000,351	-	1,546,775,581	309,015	(2,370,084,947)	-
Others	30,202,504	194,449,681	131,361	5,809,630	-	230,593,176
Total liabilities	991,398,656	2,767,703,879	1,753,940,643	6,118,645	(2,370,084,947)	3,149,076,876
Equity	72,639,102	29,133,267	128,510,032	448,309	-	230,730,710
Total Equity and liabilities	1,064,037,758	2,796,837,146	1,882,450,675	6,566,954	(2,370,084,947)	3,379,807,586
Contingencies and Commitments	1,240,305,736	108,859,213	328,258,742	-	-	1,677,423,691
2023						
	Corporate and Commercial banking	Retail Banking	Trading & Sales	Others	Inter-segment Eliminations	Total
Rupees in '000						
Statement of profit and loss account for the nine months period ended September 30, 2023 (Unaudited)						
External Funded Revenue	116,515,430	7,115,584	180,241,724	-	-	303,872,738
External Non funded Revenue	3,721,412	3,012,056	1,993,671	6,384,970	-	15,112,109
Inter segment revenue - net	-	260,070,828	-	75,982	(260,146,810)	-
Total Income	120,236,842	270,198,468	182,235,395	6,460,952	(260,146,810)	318,984,847
External Cost of funds	9,636,989	77,687,347	61,847,078	-	-	149,171,414
Segment direct expenses	1,320,944	46,132,089	594,204	2,785,515	-	50,832,752
Inter segment expense allocation	105,896,859	-	154,249,951	-	(260,146,810)	-
Total expenses	116,854,792	123,819,436	216,691,233	2,785,515	(260,146,810)	200,004,166
Provision and write offs - net	4,986,074	(55,965)	(529,016)	14,876	-	4,415,969
Profit before tax	(1,604,024)	146,434,997	(33,926,822)	3,660,561	-	114,564,712
Statement of financial position as at December 31, 2023 (Audited)						
Cash and Bank balances	2,416,860	244,475,948	-	7,171,004	-	254,063,812
Due from financial institutions	-	-	34,964,299	-	-	34,964,299
Investments	16,004,402	-	1,556,383,218	-	-	1,572,387,620
Net inter segment lending	-	2,010,062,419	-	7,500,761	(2,017,563,180)	-
Islamic financings and related assets	872,356,169	89,316,843	-	-	-	961,673,012
Others	46,375,068	68,610,791	70,660,404	3,373,751	-	189,020,014
Total assets	937,152,499	2,412,466,001	1,662,007,921	18,045,516	(2,017,563,180)	3,012,108,757
Due to financial institutions	140,798,856	5,696,799	230,998,957	-	-	377,494,612
Deposits and other accounts	-	2,217,473,924	-	-	-	2,217,473,924
Subordinated Sukuk	20,990,000	-	-	-	-	20,990,000
Net inter segment borrowing	691,084,684	-	1,326,478,496	-	(2,017,563,180)	-
Others	26,748,984	164,592,502	2,503,024	17,398,194	-	211,242,704
Total liabilities	879,622,524	2,387,763,225	1,559,980,477	17,398,194	(2,017,563,180)	2,827,201,240
Equity	57,529,975	24,702,776	102,027,444	647,322	-	184,907,517
Total Equity and liabilities	937,152,499	2,412,466,001	1,662,007,921	18,045,516	(2,017,563,180)	3,012,108,757
Contingencies and Commitments	946,041,322	103,701,212	281,400,267	-	-	1,331,142,801

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

38 RELATED PARTY TRANSACTIONS

38.1 Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and includes subsidiary companies, associated companies, retirement benefit funds, directors, and key management personnel and their close family members.

38.2 The Banks enter into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration and other benefit to the key management personnel is determined in accordance with the terms of their appointment.

38.3 Subsidiary company

- Al Meezan Investment Management Limited
- Meezan Exchange Company (Private) Limited

38.4 Associates

Associates include mutual funds managed by Al Meezan Investment Management Limited and entities having common directorship with the Board. However, entities are not considered related party only if common director is an independent director working on both the Boards.

38.5 Key management personnel

- President and Chief Executive Officer
- Deputy Chief Executive Officers

38.6 Details of transactions with related parties during the period / year and balances with them (other than those disclosed in respective notes) as at the period / year end as are follows:

	Total		Subsidiary		Associates		Directors		Key management personnel		Other related parties	
	Sep 30, 2024	Dec 31, 2023	Sep 30, 2024	Dec 31, 2023	Sep 30, 2024	Dec 31, 2023	Sep 30, 2024	Dec 31, 2023	Sep 30, 2024	Dec 31, 2023	Sep 30, 2024	Dec 31, 2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Rupees in '000												
Islamic financing and related assets												
At January 1,	33,002,164	29,972,348	-	-	32,914,968	29,972,348	-	-	87,196	-	-	-
Addition during the period / year	3,522,664	23,154,677	-	-	3,522,664	23,066,434	-	-	-	88,243	-	-
Repayments during the period / year	(36,440,828)	(20,124,861)	-	-	(36,437,632)	(20,123,814)	-	-	(3,196)	(1,047)	-	-
At period end	84,000	33,002,164	-	-	-	32,914,968	-	-	84,000	87,196	-	-
Investments												
At January 1,	908,302	908,302	63,050	63,050	845,252	845,252	-	-	-	-	-	-
Addition during the period / year	1,015,000	-	1,000,000	-	15,000	-	-	-	-	-	-	-
Repayment / redemption during the period / year	(969)	-	-	-	(969)	-	-	-	-	-	-	-
At period end	1,922,333	908,302	1,063,050	63,050	859,283	845,252	-	-	-	-	-	-
Deposits	7,223,865	6,588,811	227,590	53,388	5,754,449	5,521,335	172,926	167,014	73,258	176,822	995,642	670,252
Other Assets												
Profit receivable on financing / investments / placements	22	1,076,495	-	-	-	1,076,459	-	-	22	36	-	-
Fee, dividend and Other Receivable	299,961	113,922	200,968	83,405	98,993	28,800	-	-	-	-	-	1,717
Credit loss allowance / provision held against other assets	51	-	27	-	13	-	-	-	11	-	-	-

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

	Total		Subsidiary		Associates		Directors		Key management personnel		Other related parties	
	Sep 30, 2024 (Unaudited)	Dec 31, 2023 (Audited)	Sep 30, 2024 (Unaudited)	Dec 31, 2023 (Audited)	Sep 30, 2024 (Unaudited)	Dec 31, 2023 (Audited)	Sep 30, 2024 (Unaudited)	Dec 31, 2023 (Audited)	Sep 30, 2024 (Unaudited)	Dec 31, 2023 (Audited)	Sep 30, 2024 (Unaudited)	Dec 31, 2023 (Audited)
Rupees in '000												
Due to financial institutions												
At January 1,	-	18,000,000	-	-	-	18,000,000	-	-	-	-	-	-
Addition during the period / year	386,700,000	157,050,000	-	-	386,700,000	157,050,000	-	-	-	-	-	-
Repayment / redemption during the period / year	(386,700,000)	(175,050,000)	-	-	(386,700,000)	(175,050,000)	-	-	-	-	-	-
At period end	-	-	-	-	-	-	-	-	-	-	-	-
Sub-ordinated Sukuk												
At January 1,	210,000	210,000	-	-	210,000	210,000	-	-	-	-	-	-
Addition during the period / year	-	200,000	-	-	-	200,000	-	-	-	-	-	-
Repayment / redemption during the period / year	-	(200,000)	-	-	-	(200,000)	-	-	-	-	-	-
At period end	210,000	210,000	-	-	210,000	210,000	-	-	-	-	-	-
Other liabilities												
Payable to defined benefit plan	1,313,657	1,550,202	-	-	-	-	-	-	754,257	663,573	559,400	886,629
Accrued Expenses	10,417	11,717	4,917	6,707	-	-	5,500	5,010	-	-	-	-
Unearned Income	-	4,534	-	-	-	4,534	-	-	-	-	-	-
Contingencies and Commitments												
Letters of credit (unfunded)	-	81,444	-	-	-	81,444	-	-	-	-	-	-
Letters of Guarantee (unfunded)	100	1,175,557	100	100	-	1,175,457	-	-	-	-	-	-

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

Transactions, income and expenses	Total		Subsidiary		Associates		Directors		Key management personnel		Other related parties	
	Sep 30, 2024	Sep 30, 2023	Sep 30, 2024	Sep 30, 2023	Sep 30, 2024	Sep 30, 2023	Sep 30, 2024	Sep 30, 2023	Sep 30, 2024	Sep 30, 2023	Sep 30, 2024	Sep 30, 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Rupees in '000												
Profit earned on financing / investments / placements	2,360,340	3,924,622	-	-	2,357,134	3,924,622	-	-	3,206	-	-	-
Fees and other income earned	903,679	565,817	420,833	218,184	482,617	347,313	12	20	127	215	90	85
Dividend income earned	595,862	147,158	260,000	130,000	335,862	17,158	-	-	-	-	-	-
Return on deposits / acceptance expensed	1,802,685	2,104,881	32,581	5,531	1,676,280	2,040,003	3,403	2,990	8,731	8,244	81,690	48,113
Charge for defined benefit plan	559,400	439,780	-	-	-	-	-	-	-	-	559,400	439,780
Contribution to defined contribution plan	638,145	500,233	-	-	-	-	-	-	-	-	638,145	500,233
Contribution to staff benevolent fund	90,156	64,461	-	-	-	-	-	-	-	-	90,156	64,461
(Reversal of provisions / credit loss allowance) / credit loss allowance / provision and write offs - net (including recognised directly in unappropriated profit)	3,607	-	27	-	3,569	-	-	-	11	-	-	-
Fees expensed	28,603	16,099	27,027	15,252	1,576	847	-	-	-	-	-	-
Capital gain - net	4,031	-	-	-	4,031	-	-	-	-	-	-	-
Charity paid	1,000	21,500	-	-	1,000	1,500	-	-	-	-	-	20,000
Expenses paid on behalf of Meezan Exchange Company Private Limited	64,149	-	64,149	-	-	-	-	-	-	-	-	-
Purchase of property and equipment	32,845	257,421	-	-	32,845	257,421	-	-	-	-	-	-
Remuneration to key management personnel	325,594	221,388	-	-	-	-	-	-	325,594	221,388	-	-
Fee to non-executive directors	46,840	39,740	-	-	-	-	46,840	39,740	-	-	-	-
Proceeds from sale of property and equipment	7,261	-	-	-	-	-	-	-	7,261	-	-	-
Proceed against issue of shares	9,431	3,570	-	-	-	-	-	-	9,431	3,570	-	-

Balances pertaining to parties that were related at the beginning of the year but ceased to be related during any part of the current period are not reflected as part of the closing balance. However, new related parties have been added during the period. The same are accounted for through the movement presented above.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

**39 CAPITAL ADEQUACY, LEVERAGE RATIO &
LIQUIDITY REQUIREMENTS**

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	Rupees in '000	
Minimum Capital Requirement (MCR)		
Paid-up capital (net of losses)	<u>17,947,407</u>	<u>17,912,532</u>
Capital Adequacy Ratio		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>209,771,110</u>	<u>171,598,930</u>
Eligible Additional Tier 1 (ADT 1) Capital	<u>7,000,000</u>	<u>7,000,000</u>
Total Eligible Tier 1 Capital	<u>216,771,110</u>	<u>178,598,930</u>
Eligible Tier 2 Capital	<u>39,730,616</u>	<u>32,640,088</u>
Total Eligible Capital (Tier 1 + Tier 2)	<u>256,501,726</u>	<u>211,239,018</u>
Risk weighted assets (RWAs):		
Credit Risk	<u>609,281,140</u>	<u>618,359,310</u>
Market Risk	<u>33,777,012</u>	<u>29,240,708</u>
Operational Risk	<u>296,043,878</u>	<u>296,043,878</u>
Total	<u>939,102,030</u>	<u>943,643,896</u>
Common Equity Tier 1 Capital Adequacy ratio	<u>22.34%</u>	<u>18.18%</u>
Tier 1 Capital Adequacy Ratio	<u>23.08%</u>	<u>18.93%</u>
Total Capital Adequacy Ratio	<u>27.31%</u>	<u>22.39%</u>
Leverage ratio (LR):		
Tier-1 Capital	<u>216,771,110</u>	<u>178,598,930</u>
Total Exposures	<u>3,824,023,028</u>	<u>3,406,288,360</u>
Leverage Ratio	<u>5.67%</u>	<u>5.24%</u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	<u>1,325,171,097</u>	<u>1,002,019,479</u>
Total Net Cash Outflow	<u>414,204,708</u>	<u>354,386,339</u>
Liquidity Coverage Ratio	<u>320%</u>	<u>283%</u>
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	<u>2,545,576,767</u>	<u>2,161,583,994</u>
Total Required Stable Funding	<u>1,275,108,358</u>	<u>1,049,256,515</u>
Net Stable Funding Ratio	<u>200%</u>	<u>206%</u>

40 CORRESPONDING FIGURES

Comparative information has been re-classified, re-arranged or additionally incorporated in these condensed interim unconsolidated financial statements, wherever necessary to facilitate comparison.

The effect of reclassification, rearrangement, restatement in the comparative information presented in these condensed interim unconsolidated financial statements due to implementation of the revised format issued by SBP as mentioned in note 5.1 is as follows:

Reclassified from	Reclassified to	December 31, 2023 (Rupees in '000)
Property and equipment	Right-of-use assets	<u>19,571,852</u>
Other liabilities	Lease liability against right-of-use assets	<u>22,093,855</u>

41 NON-ADJUSTING EVENT

- 41.1** The Board of Directors in their meeting held on October 21, 2024 has announced interim cash dividend of Rs 7 per share (70%). These condensed interim unconsolidated financial statements do not include the effect of this appropriation which will be accounted for subsequent to the period end.

42 DATE OF AUTHORISATION

These condensed interim unconsolidated financial statements were authorised for issue on October 21, 2024 by the Board of Directors of the Bank.

Riyadh S. A. A. Edrees
Chairman

Irfan Siddiqui
President & Chief Executive

Mohammad Abdul Aleem
Director

Faisal A. A. AlNassar
Director

Syed Imran Ali Shah
Chief Financial Officer

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**

**CONDENSED INTERIM CONSOLIDATED
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024**

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	Rupees in '000	
ASSETS		
Cash and balances with treasury banks	252,174,680	242,612,195
Balances with other banks	14,164,149	11,458,281
Due from financial institutions	34,964,299	34,964,299
Investments	1,749,324,300	1,578,341,536
Islamic financing and related assets	1,087,649,205	961,673,012
Property and equipment	45,654,923	39,295,656
Right-of-use assets	21,244,607	19,867,043
Intangible assets	2,784,087	2,370,686
Deferred tax asset	-	-
Other assets	180,458,832	128,733,444
Total Assets	3,388,419,082	3,019,316,152
LIABILITIES		
Bills payable	43,900,489	39,724,176
Due to financial institutions	337,621,262	377,494,612
Deposits and other accounts	2,559,644,848	2,217,420,536
Lease liability against right-of-use assets	25,519,149	22,412,164
Sub-ordinated sukuk	20,990,000	20,990,000
Deferred tax liabilities	8,412,417	4,881,310
Other liabilities	155,377,035	146,376,085
Total Liabilities	3,151,465,200	2,829,298,883
NET ASSETS	236,953,882	190,017,269
REPRESENTED BY		
Share capital	17,947,407	17,912,532
Reserves	45,459,737	37,106,473
Surplus on revaluation of assets - net of tax	18,124,602	10,920,597
Unappropriated profit	153,507,249	122,528,058
	235,038,995	188,467,660
Non-controlling Interest	1,914,887	1,549,609
	236,953,882	190,017,269

The annexed notes 1 to 3 form an integral part of these condensed interim consolidated financial statements.

Riyadh S. A. A. Edrees
Chairman

Irfan Siddiqui
President & Chief Executive

Mohammad Abdul Aleem
Director

Faisal A. A. AlNassar
Director

Syed Imran Ali Shah
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED

PROFIT AND LOSS ACCOUNT (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Quarter ended September 30, 2024	Quarter ended September 30, 2023	Nine months period ended September 30, 2024	Nine months period ended September 30, 2023
	Rupees in '000			
Profit / return earned on Islamic financing and related assets, investments and placements	128,503,578	120,855,921	377,865,025	303,901,959
Profit on deposits and other dues expensed	51,651,513	56,770,434	163,103,995	149,198,197
Net profit / return	76,852,065	64,085,487	214,761,030	154,703,762
OTHER INCOME				
Fee and commission income	6,992,921	5,214,869	18,322,631	13,820,110
Dividend income	(168,678)	113,467	487,514	440,773
Foreign exchange income / (loss)	29,096	1,575,301	608,280	2,116,102
Gain / (loss) on securities	(745,177)	(526,162)	282,699	(866,972)
Other income	290,333	411,502	898,109	982,871
Total other income	6,398,495	6,788,977	20,599,233	16,492,884
Total income	83,250,560	70,874,464	235,360,263	171,196,646
OTHER EXPENSES				
Operating expenses	22,031,306	18,683,592	64,210,548	48,724,859
Workers Welfare Fund	1,226,242	1,062,812	3,480,187	2,562,585
Other charges	310,610	3,545	444,129	55,825
Total other expenses	23,568,158	19,749,949	68,134,864	51,343,269
	59,682,402	51,124,515	167,225,399	119,853,377
Share of profit of associates	1,484,090	380,580	1,278,119	490,821
Profit before credit loss allowance / provisions	61,166,492	51,505,095	168,503,518	120,344,198
Credit loss allowance / provisions and write offs - net	2,572,787	781,915	1,900,586	4,416,289
Extra ordinary / unusual items	-	-	-	-
Profit Before Taxation	58,593,705	50,723,180	166,602,932	115,927,909
Taxation	32,229,839	24,727,801	87,808,437	57,020,524
Profit After Taxation	26,363,866	25,995,379	78,794,495	58,907,385
Attributable to:				
Shareholders of the Holding company	26,175,760	25,828,291	78,284,147	58,571,067
Non-controlling interest	188,106	167,088	510,348	336,318
	26,363,866	25,995,379	78,794,495	58,907,385
	Rupees			
Basic earnings per share	14.61	14.43	43.68	32.72
Diluted earnings per share	14.52	14.42	43.42	32.69

The annexed notes 1 to 3 form an integral part of these condensed interim consolidated financial statements.

Riyadh S. A. A. Edrees
Chairman

Irfan Siddiqui
President & Chief Executive

Mohammad Abdul Aleem
Director

Faisal A. A. AlNassar
Director

Syed Imran Ali Shah
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED

STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Quarter ended September 30, 2024	Quarter ended September 30, 2023	Nine months period ended September 30, 2024	Nine months period ended September 30, 2023
	Rupees in '000			
Profit after taxation for the period attributable to:				
Shareholders of the Holding company	26,175,760	25,828,291	78,284,147	58,571,067
Non-controlling interest	188,106	167,088	510,348	336,318
	26,363,866	25,995,379	78,794,495	58,907,385
Other Comprehensive Income / (loss)				
Item that may be reclassified to profit and loss account in subsequent periods:				
- Movement in deficit on revaluation of debt investments through FVOCI - net of tax	8,902,538	-	5,994,714	-
- Gain on derecognition of Debt investments at FVOCI reclassified to profit or loss - net of tax	(86,373)	-	(145,286)	-
- Movement in surplus / (deficit) on revaluation of available for sale investments - net of tax	-	(820,697)	-	(1,705,919)
Items that will not be reclassified to profit and loss account in subsequent periods:				
- Movement in surplus on revaluation of equity investments through FVOCI - net of tax	(353,111)	-	91,913	-
- Gain on sale of equity investments carried at FVOCI - net of tax	360,644	-	512,979	-
- Remeasurement loss on defined benefit obligations - net of tax	-	-	(14,485)	(6,739)
- Movement in (deficit) on revaluation of non - banking assets - net of tax	-	-	-	(281)
Total comprehensive income for the period	35,187,564	25,174,682	85,234,330	57,194,446
Attributable to:				
Shareholders of the Holding company	34,999,458	25,007,594	84,729,052	56,860,487
Non-controlling interest	188,106	167,088	505,278	333,959
	35,187,564	25,174,682	85,234,330	57,194,446

The annexed notes 1 to 3 form an integral part of these condensed interim consolidated financial statements.

Riyadh S. A. A. Edrees
Chairman

Irfan Siddiqui
President & Chief Executive

Mohammad Abdul Aleem
Director

Faisal A. A. AlNassar
Director

Syed Imran Ali Shah
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED

STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Capital reserves				Revenue reserve	Surplus / (deficit) on revaluation of		Unappropriated profit	Non controlling interest	Total
	Share capital	Share premium	Statutory reserve *	Non-Distributable Capital Reserve - Gain on Bargain Purchase	Employee share option compensation reserve	General reserve	Investments	Non-banking Assets		
	Rupees in '000									
Balance as at January 01, 2023 (Audited)	17,896,243	2,406,571	22,169,518	3,117,547	427,419	91,082	(666,349)	2,678	72,485,599	1,204,382
Profit after taxation for nine months period ended September 30, 2023	-	-	-	-	-	-	-	-	58,571,067	336,318
Other Comprehensive loss for the nine months ended September 30, 2023 - net of tax										
Movement in surplus / (deficit) on revaluation of available for sale investments - net of tax	-	-	-	-	-	-	(1,705,919)	-	-	(1,705,919)
Movement in surplus / (deficit) on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	(281)	-	(281)
Remeasurement gain/(loss) on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	(4,380)	(6,739)
Total other comprehensive loss - net of tax	-	-	-	-	-	-	(1,705,919)	(281)	(4,380)	(1,712,939)
Transfer from surplus in respect of incremental depreciation of Non-banking assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(4)	4	-
Recognition of share based compensation	-	-	-	-	295,246	-	-	-	-	295,246
Other appropriations										
Transfer to statutory reserve*	-	-	5,803,706	-	-	-	-	-	(5,803,706)	-
Transactions with owners recognised directly in equity										
Final cash dividend for the year 2022 @ Rs 3 per share	-	-	-	-	-	-	-	-	(5,368,873)	(5,368,873)
First interim cash dividend for the year 2023 @ Rs 3 per share	-	-	-	-	-	-	-	-	(5,368,873)	(5,368,873)
Second interim cash dividend for the year 2023 @ Rs 4 per share	-	-	-	-	-	-	-	-	(7,165,013)	(7,165,013)
Dividend payout by Subsidiary	-	-	-	-	-	-	-	-	(17,902,759)	(17,902,759)
Issue of 1,628,873 shares under the Employees share option scheme	16,289	219,870	-	-	(182,844)	-	-	-	46,384	99,699
Balance as at September 30, 2023 (Unaudited)	17,912,532	2,626,441	27,973,224	3,117,547	539,821	91,082	(2,372,268)	2,393	107,392,209	1,468,341
Profit after taxation for the quarter ended December 31, 2023	-	-	-	-	-	-	-	-	26,859,483	256,268
Other Comprehensive income / (loss) for quarter ended December 31, 2023 - net of tax										
Movement in surplus / (deficit) on revaluation of available for sale investments - net of tax	-	-	-	-	-	-	13,292,865	-	-	13,292,865
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	(123,510)	(123,510)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	(2,393)	-	(2,393)
Total other comprehensive income / (loss) - net of tax	-	-	-	-	-	-	13,292,865	-	(123,510)	13,166,962
Transfer from surplus in respect of incremental depreciation of Non-banking assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	-	-	-
Recognition of share based compensation	-	-	-	-	114,500	-	-	-	-	114,500
Other appropriations										
Transfer to statutory reserve*	-	-	2,643,858	-	-	-	-	-	(2,643,858)	-
Transactions with owners recognised directly in equity										
Third interim cash dividend for the year 2023 @ Rs. 5 per share	-	-	-	-	-	-	-	-	(8,956,266)	(8,956,266)
Dividend payout by Subsidiary	-	-	-	-	-	-	-	-	(8,956,266)	(8,956,266)
	-	-	-	-	-	-	-	-	(175,000)	(175,000)
Balance as at December 31, 2023 (Audited)	17,912,532	2,626,441	30,617,082	3,117,547	654,321	91,082	10,920,597	-	122,528,058	1,549,609

CONDENSED INTERIM CONSOLIDATED

STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Capital reserves					Revenue reserve	Surplus / (deficit) on revaluation of		Unappropriated profit	Non controlling interest	Total
	Share capital	Share premium	Statutory reserve *	Non-Distributable Capital Reserve - Gain on Bargain Purchase	Employee share option compensation reserve	General reserve	Investments	Non-banking Assets			
	Rupees in '000										
Balance as at December 31, 2023 (Audited)	17,912,532	2,626,441	30,617,082	3,117,547	654,321	91,082	10,920,597	-	122,528,058	1,549,609	190,017,269
Impact of adoption of IFRS 9 - net of tax (Note 1.4)	-	-	-	-	-	-	1,262,664	-	(669,309)	-	593,355
Profit after taxation for the nine months period ended September 30, 2024	-	-	-	-	-	-	-	-	78,284,147	510,348	78,794,495
Other Comprehensive income / (loss) for the nine months period ended September 30, 2024 - net of tax											
Movement in deficit on revaluation of investments in debt at FVOCI - net of tax	-	-	-	-	-	-	5,994,714	-	-	-	5,994,714
Gain on sale of Debt investments carried at FVOCI - reclassified to profit or loss - net of tax	-	-	-	-	-	-	(145,286)	-	-	-	(145,286)
Gain on sale of equity investments carried at FVOCI - net of tax	-	-	-	-	-	-	-	-	512,979	-	512,979
Remeasurement loss on define benefits obligations - net of tax	-	-	-	-	-	-	-	-	(9,415)	(5,070)	(14,485)
Movement in surplus on revaluation of investments in equity instruments carried at FVOCI - net of tax	-	-	-	-	-	-	91,913	-	-	-	91,913
Total other comprehensive income / (loss) - net of tax	-	-	-	-	-	-	5,941,341	-	503,564	(5,070)	6,439,835
Recognition of share based compensation	-	-	-	-	422,024	-	-	-	-	-	422,024
Other appropriations											
Transfer to statutory reserve*	-	-	7,752,659	-	-	-	-	-	(7,752,659)	-	-
Transactions with owners recognised directly in equity											
Final cash dividend for the year 2023 @ Rs 8 per share	-	-	-	-	-	-	-	-	(14,330,026)	-	(14,330,026)
Frist interim cash dividend for the year 2024 @ Rs 7 per share	-	-	-	-	-	-	-	-	(12,538,773)	-	(12,538,773)
Second interim cash dividend for the year 2024 @ Rs 7 per share	-	-	-	-	-	-	-	-	(12,563,185)	-	(12,563,185)
	-	-	-	-	-	-	-	-	(39,431,984)	-	(39,431,984)
Dividend payout by Subsidiary	-	-	-	-	-	-	-	-	-	(140,000)	(140,000)
Issue of 3,487,520 shares under the Employees shares option scheme	34,875	477,812	-	-	(299,231)	-	-	-	45,432	-	258,888
Balance as at September 30, 2024 (Unaudited)	<u>17,947,407</u>	<u>3,104,253</u>	<u>38,369,741</u>	<u>3,117,547</u>	<u>777,114</u>	<u>91,082</u>	<u>18,124,602</u>	<u>-</u>	<u>153,507,249</u>	<u>1,914,887</u>	<u>236,953,882</u>

* This represents reserve created under section 21(i)(b) of the Banking Companies Ordinance, 1962.

The annexed notes 1 to 3 form an integral part of these condensed interim consolidated financial statements.

Riyadh S. A. A. Edrees
Chairman

Irfan Siddiqui
President & Chief Executive

Mohammad Abdul Aleem
Director

Faisal A. A. AlNassar
Director

Syed Imran Ali Shah
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED

CASH FLOW STATEMENT (UNAUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Nine months period ended September 30, 2024	Nine months period ended September 30, 2023
	Rupees in '000	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	166,602,932	115,927,967
Less: Dividend income	(487,514)	(440,773)
	166,115,418	115,487,194
Adjustments:		
Depreciation	4,409,879	3,108,536
Net profit / return	(217,605,638)	(155,944,984)
Amortization	532,700	403,129
Non cash items related to right-of-use assets	4,852,263	3,364,882
(Reversal of provisions / credit loss allowance) / credit loss allowance / provisions and write offs - net	1,900,586	4,416,289
Share based compensation expense	422,024	295,246
Gain on sale of property and equipment	(307,912)	(320,367)
Unrealised loss - FVTPL	6,206	(302)
Share of results of associates	(1,278,119)	(525,692)
	(207,068,011)	(145,203,263)
	(40,952,593)	(29,716,069)
Increase in operating assets		
Islamic financing and related assets	(130,770,248)	61,531,975
Other assets	(2,599,299)	(6,483,813)
	(133,369,547)	55,048,162
Increase in operating liabilities		
Bills payable	4,176,313	1,738,574
Due to financial institutions	(39,873,350)	(13,430,171)
Deposits and other accounts	342,224,312	351,805,282
Other liabilities	10,849,486	(35,232,737)
	317,376,761	304,880,948
	143,054,621	330,213,041
Net profit / return received	329,564,868	225,722,154
Net profit / return paid	(164,754,716)	(136,463,605)
Income tax paid	(88,057,076)	(48,584,693)
Net cash generated from operating activities	219,807,697	370,886,897
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in amortized cost securities	(21,143,666)	-
Net investments in securities classified as FVOCI	(136,445,223)	-
Net divestment in securities classified as FVPL	5,256,087	-
Net investments in associates	(957,835)	(518,302)
Net investments in available for sale securities	-	(270,534,472)
Net divestment in held to maturity securities	-	647,225
Net investments in held for trading securities	-	(147,035)
Dividends received	453,097	391,112
Additions in property and equipment	(10,958,443)	(10,304,283)
Additions in intangible assets	(946,101)	(501,121)
Proceeds from sale of property and equipment	497,209	464,312
Net cash used in investing activities	(164,244,875)	(280,502,564)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use assets	(3,122,842)	(2,810,112)
Proceed against issue of shares	258,888	99,699
Dividend paid to equity shareholders of the Bank	(40,257,918)	(19,433,336)
Dividend paid to non-controlling interest	(140,000)	(70,000)
Net cash used in financing activities	(43,261,872)	(22,213,749)
Increase in cash and cash equivalents	12,300,950	68,170,584
Cash and cash equivalents at the beginning of the period	254,070,476	131,454,425
Opening net credit loss allowance on cash and cash equivalents	(36,327)	-
	254,034,149	131,454,425
Impact of net credit loss allowance on cash and cash equivalents during the period	3,730	-
Cash and cash equivalents at the end of the period	266,338,829	199,625,009

The annexed notes 1 to 3 form an integral part of these condensed interim consolidated financial statements.

Riyadh S. A. A. Edrees
Chairman

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Mohammad Abdul Aleem
Director

Faisal A. A. AlNassar
Director

Syed Imran Ali Shah
Chief Financial Officer

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

1 BASIS OF PRESENTATION

- 1.1** These condensed interim consolidated financial statements include the unaudited financial statements of Meezan Bank Limited (MBL) (the holding company), Al-Meezan Investment Management Limited (subsidiary) and Meezan Exchange Company (Private) Limited (subsidiary) collectively referred as the 'Group' and associates namely, Al-Meezan Mutual Fund, Meezan Islamic Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Tahaffuz Pension Fund, Meezan Strategic Allocation Fund, Meezan Strategic Allocation Fund II, Meezan Strategic Allocation Fund III, KSE Meezan Index Fund, Meezan Balanced Fund, Meezan Financial Planning Fund of Funds, Meezan Gold Fund, Meezan Energy Fund, Meezan Cash Fund, Meezan Rozana Amdani Fund, Meezan Pakistan Exchange Traded Fund, Meezan Daily Income Fund, Meezan Dedicated Equity Fund, Meezan Asset Allocation Fund, Meezan Dynamic Asset Allocation Fund, Meezan Fixed Term Fund and Meezan GOKP Pension Fund.
- 1.2** These condensed interim consolidated financial statements has been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 'Interim Financial Reporting'.
- 1.3** These condensed interim consolidated financial statements comprise of the statement of financial position as at September 30, 2024 and the profit and loss account, statement of comprehensive income, statement of changes in equity and the cash flow statement for the period ended September 30, 2024.

1.4 Adoption of new forms for the preparation of condensed interim financial information

The SBP, vide its BPRD Circular No. 02 dated February 09, 2023, issued the revised forms for the preparation of the condensed interim quarterly / half yearly financial information of the banks which are applicable for quarterly / half yearly periods beginning on or after January 01, 2024 (previously January 01, 2023). The implementation of the revised forms has resulted in certain changes to the presentation and disclosures of various elements of the condensed interim consolidated financial statements.

1.4.1 IFRS 9 - 'Financial Instruments'

As directed by the SBP via BPRD Circular no 7 of 2023 dated April 17, 2023, IFRS 9, 'Financial Instruments' is effective for periods beginning on or after January 1, 2024 (previously January 01, 2023) for banks having asset base of more than Rs 500 billion as at December 31, 2022. Moreover, SBP has also issued application instructions on IFRS 9 for banks in Pakistan for ensuring smooth and consistent implementation of the standard in the banks. The Group has adopted IFRS 9 effective from January 01, 2024.

2 ACCOUNTING POLICIES

- 2.1** The accounting policies and the methods of computation adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of the Group for the year ended December 31, 2023.

3 DATE OF AUTHORISATION

These condensed interim consolidated financial statements were authorized for issue on October 21, 2024 by the Board of Directors of the Holding company.

Riyadh S. A. A. Edrees
Chairman

Irfan Siddiqui
President & Chief Executive

Mohammad Abdul Aleem
Director

Faisal A. A. AlNassar
Director

Syed Imran Ali Shah
Chief Financial Officer



Meezan Bank
The Premier Islamic Bank

Head Office: Meezan House, C-25, Estate Avenue, SITE, Karachi - Pakistan.
PABX: (92-21) 38103500 **UAN:** 111-331-331 & 111-331-332
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